

# The NATIONAL UNDERWRITER

*Life Insurance Edition*



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## Getting the Jump on 1940

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DEC 4 1939

*"A good beginning is half the battle"*

With this adage in mind, Northwestern Mutual field men in the Eastern Zone are looking forward to their 25th Annual Eastern Regional Meeting at the Waldorf-Astoria, New York City, January 4th and 5th, 1940.

At this meeting all field men will have an opportunity to meet and visit with one another, with Company leaders from the field and the Home Office.

Dramatic portrayals of the vital "success qualities", new approaches to old problems, new sales ideas that capitalize on current conditions—will be presented in a stimulating, tuned-to-the-times program, planned and executed by a committee of field men in conjunction with the Agency Department. The members of the committee are — Russell L. Law, Baltimore, General Chairman; A. J. Johannsen, Brooklyn, Arrangements Chairman; Howard D. Goldman, Richmond; Vaughn D. Griffin, Manchester; C. L. McMillen, New York; Hugh O'Neill, Newark; and Stanley S. Trotman, New Haven.

**THE NORTHWESTERN MUTUAL  
LIFE INSURANCE COMPANY**

*Established 1857*

MILWAUKEE, WISCONSIN



THE NATIONAL UNDERWRITER Life Insurance Edition. Published weekly by The National Underwriter Company.  
Office of publication, 175 W. Jackson Blvd., Chicago, Ill., U.S.A. Forty-third year. No. 48. Friday, December 1,  
1939. \$3.00 per year, 15 cents per copy. Entered as second class matter, June 9, 1900, at the post office at Chicago,  
Ill., under act of March 3, 1879.

# The NATIONAL UNDERWRITER

Forty-third Year—No. 48

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, DECEMBER 1, 1939

\$3.00 Per Year, 15 Cents a Copy

## Ridicule Is Potent Weapon in Fighting Fee Counsellors

Insurance Columns in Jewish Newspapers Keep Readers Informed

NEW YORK—Ridicule is a potent weapon against objectionable methods of insurance counsellors, experience here has indicated. For some time weekly insurance columns in two Jewish newspapers, one conducted by Morris Kramer in the "Day" and the other by Emil Held in the "Jewish Examiner," have been campaigning against the counsellors, apprising readers of their methods.

Their work is largely responsible, it is said, for the fact that among the large number of suits being brought by resentful policyholders for return of their fees from counsellors, only a very small percentage of plaintiffs are Jewish. Most of the plaintiffs are of Italian, German, Polish or Irish birth or descent. None of the papers serving these nationality groups carry insurance columns.

### Started Five Years Ago

Mr. Kramer started his insurance column about five years ago and began putting the heat on the counsellors in his articles a couple of years ago when he found out what they were up to. He was not an insurance man but made a considerable study of insurance. In addition to running his weekly insurance column he is a member of the regular staff of the "Day," which is a daily with 90,000 circulation. He is proud of the fact that on Saturdays, when the insurance column appears, sales are 3,000 to 4,000 higher than other days.

The insurance column led not only to letters to him about insurance problems but many policyholders called in person. For some time he has set aside two hours each Saturday afternoon for consultations—for which he refuses to accept even a cigar. Much of this work is on policies which have been through some counsellor's mill and need straightening out.

### Counsellors' Business Off

At their peak these Saturday afternoons used to draw from 75 to 125 policyholders. Gradually the number has fallen off, a fact which Mr. Kramer attributes to a diminution of the counsellors' business. Some of the stories he tells about the plight of counsellors' victims are pathetic, such as that of a woman who borrowed \$54 from a finance company at a high rate of interest in order to pay a counsellor a fee for advising her to make changes that were detrimental to her interest.

Mr. Held is a veteran newspaper man and formerly worked on insurance trade papers in New York and Chicago, having started with the former "Insurance Times" of New York. He has been

## Henry Reichgott Is Head of Group Body Other Officers Elected by the Association at Annual Meeting

NEW YORK—Henry Reichgott, group underwriter of the Equitable Society, has been elected chairman of the Group Association. After an extensive sales and actuarial experience in insurance—particularly group protection—he entered the group department of the



HENRY REICHGOTT

Equitable in January, 1934, as divisional group manager of the New York Metropolitan department. Previously and following his graduation from Yale he had served in the actuarial and group departments of the Travelers and as vice-president of the General American Life and its predecessor company, Missouri State Life, where he was responsible for the development and sale of group coverages, including agency direction with respect to these activities.

In June, 1935, Mr. Reichgott became director of group accident and health insurance in the Equitable and one year later was appointed to his present position. He is a member of the Actuarial Society of America and of the American Institute of Actuaries.

Other officers elected are: Chairman accident and sickness section, C. Manton Eddy, secretary, group department, Connecticut General Life; chairman group annuity section, R. A. Hohaus, assistant actuary Metropolitan Life; secretary group association, Henry S. Beers, vice-president Aetna Life.

vitriolic in blasting the pretensions of the counsellors, using scorn, the counsellors' favorite weapon, with great effectiveness. He has been frequently consulted by readers on insurance problems and has been responsible for saving them a great deal of money.

With the publication of the current issue of the "Examiner," which is a weekly, Mr. Held has announced his resignation, as he is setting up an independent organization through which he will supply insurance columns for non-sectarian general periodicals and for class publications. These will be individually written, not syndicated, since readers' queries will be their basis.

## O'Mahoney Denies TNEC Fosters \$250 Death Benefit

The Temporary National Economic Committee has no intention to foster any plan that is inimical to the insurance business as a whole or to any reputable insurance company and is not promoting any scheme for governmental competition with the insurance business, according to an official statement by Senator O'Mahoney of Wyoming, chairman of TNEC.

O'Mahoney's message was given at the dinner of the Massachusetts Insurance Society in Boston in the form of a letter to George E. Allen, commissioner of the District of Columbia, and vice-president of Home Insurance Company of New York, on leave of absence. Mr. Allen read the O'Mahoney letter in the course of an address at the dinner.

### How the Report Originated

O'Mahoney was referring particularly to reports that the TNEC was flirting with the idea of proposing a scheme providing federal death benefits of \$250 a head for all persons. Reports to this effect arose following the testimony of E. C. Bronson, an actuary of the social security board, at one of the TNEC hearings. He gave an estimate as to the cost of administering such a government enterprise. O'Mahoney stated that Bronson did not speak for the TNEC, he spoke merely as an individual and no inferences can be drawn from anything he said as indicating an intention on the part of the committee to foster any plan which is inimical to the insurance business. Bronson was called upon to testify on the cost of industrial insurance. "It was deemed appropriate," O'Mahoney stated, "to compare the cost of industrial insurance with a program for which industrial insurance was devised,—viz., to provide a burial fund."

About 700 attended the banquet, which was given to Governor Saltonstall. Alexander Ellis, president of the society, served as toastmaster. In addition to Mr. Allen, talks were given by Saltonstall, U. S. Senator Lodge of Massachusetts and E. C. Stone, U. S. manager of Employers Liability. Among those seated at the head table was Commissioner Harrington of Massachusetts.

Mr. Stone stated that in the 10-year period ending Dec. 31, 1938, casualty companies paid to claimants and policyholders \$5,033,324,000, fire and marine companies \$3,740,903,836 and life companies \$25,602,626,689.

For the 10 years ending Dec. 31, 1937, casualty companies paid for acquisition expense \$1,760,753,445, fire and marine companies \$1,940,842,778 and life companies \$3,354,264,000. Casualty companies paid taxes \$190,560,712, fire companies \$345,993,838, life companies \$598,033,794.

Casualty companies paid out for losses, dividends, acquisition and general expense, taxes, fees, etc., \$7,525,903,950, fire companies \$8,790,549,778 and life companies \$31,030,294,007, making the grand total \$47,346,747,735.

"Remove these companies from the scene and whence will come such huge contributions to the happiness, the peace and the prosperity of the country?" he asked.

## Life Presidents Annual Program Has Notable Points

Eminent Men, Both Inside and Outside the Business, Will Be Speakers

NEW YORK—Leaders distinguished for their participation in outstanding activities, both within and without the life insurance business, will address the annual convention of the Association of Life Insurance Presidents at the Waldorf-Astoria here Dec. 14-15.

A state governor, the president of one of the country's great universities, a renowned churchman who has specialized in foreign relations, a prominent Canadian educator, and a dignitary who has long taken a notable part in the affairs of his native state in the west, are among those who will join life company executives in contributing viewpoints from their respective fields. The convention theme on which the discussions will center is "Mobilizing for Security Through Individual Enterprise."

### List of Notable Speakers

The speakers listed in the preliminary program include Governor John W. Bricker of Ohio, President H. W. Dodds of Princeton University, Rev. Dr. Edmund A. Walsh, S. J., vice-president of Georgetown University and regent of the School of Foreign Service, Washington, D. C.; Dr. M. W. Wallace, principal of University College, University of Toronto, and Heber J. Grant, president of the Church of Jesus Christ of Latter Day Saints, Salt Lake City.

On the life insurance side of the program, a notable array of speakers will discuss subjects of outstanding interest to the business. The first address at the opening session will be made by President M. A. Linton of Provident Mutual Life, chairman of the meeting. With the central theme as his topic, he will announce the results of special surveys, now in progress, which will throw particular light on that subject from the life insurance standpoint.

Speaking on "Life Insurance Investments and Individual Security," President F. W. Hubbell of the Equitable Life of Iowa will present another address incorporating special data. He will disclose the results of a survey now being made of life company portfolios and will analyze the trends thus revealed. Mr. Hubbell's experience with the financial side of the business extends as far back as 1913 when he became assistant treasurer of his company. He subsequently served as treasurer, and as vice-president and treasurer, before he became president last January.

Another address of outstanding interest will be made by Dr. W. E. Thornton, second vice-president and medical director of the Lincoln National Life.

(CONTINUED ON LAST PAGE)

## Neslen and Gesell Letters

### Interesting Correspondence Between the Commissioners' President and the SEC Special Counsel

There has been some interesting correspondence between Insurance Commissioner Neslen of Utah, president National Association of Insurance Commissioners, and Gerhard A. Gesell of Washington, D. C., special counsel insurance section, monopoly study, of the SEC, regarding the questionnaire that was sent out by the SEC to the state insurance commissioners. Following the receipt of the letter sent out by the SEC with the questionnaire, Commissioner Neslen wrote Special Counsel Gesell the following letter:

\* \* \*

#### NESLEN TO GESELL

"Your letter of Oct. 24, together with your questionnaire, has been received by all of the insurance commissioners of the United States. Many of the commissioners apparently are at a loss to know just how they should act. They realize, as you suggest in your communication, that yours is not a demand nor are they under obligation to reply unless they so desire. While this is true, they all want to do the proper thing. Many of them have written to me, as president of the NAIC for the present year, for advice. The suggestion has been made that more complete information could be furnished you by a committee specially appointed to compile the information and confer with you from time to time. There is not the least desire on the part of any commissioner to withhold information. They have all signified their willingness to cooperate but as some of them are new, they might not thoroughly understand what is wanted and their replies might therefore be misinterpreted or misunderstood. Before advising those who have asked for advice as to what procedure to follow, I feel it wise to confer with you.

#### Han Life Insurance Committee

"In our national organization, we have some 25 committees, members of which are studying and reporting to us from time to time on the subjects that come before us. Among these committees is one charged with the responsibility of handling all life insurance matters. Your present questionnaire, I believe, is confined solely to the subject of life insurance. Some of our strongest commissioners are on that committee. Some of our commissioners prefer sending their questionnaires to that committee for study and for compilation. Others feel that the whole matter should be held in abeyance until all the commissioners discuss the matter at our winter meeting which will be held in Biloxi, Miss., Dec. 6-8.

"There is one other feature I feel I should call to your attention. At our last winter meeting held at Des Moines on Dec. 6, your T. C. Blaisdell, Jr., appeared before us and asked that he might talk to the commissioners in executive session. His request was granted and he was given considerable time in which he assured us that your organization wanted to cooperate with the commissioners and preferred that the convention appoint a standing committee with which your organization could confer from time to time, rather than being under the necessity of contacting 48 separate commissioners. The convention, at Mr. Blaisdell's suggestion, unanimously agreed that the suggested plan should be followed and, that a representative committee should be chosen to be in touch with you from time to time. The committee appointed consists of the following: Pink, New York; Palmer, Illinois; Earle, Oregon; Lovejoy, Maine; Neslen, Utah; Moor, District of Columbia; Robertson, Missouri. Two, the commissioner from Missouri and the one from the District of Columbia, have since passed away and, as president, I am about to choose at least two other members to take their places. In doing

so, of course, I will recognize those states where there are domiciled the largest insurance companies.

"I raise, therefore, three questions upon which I would like to have your views:

"1. Would it not be well to defer action on the entire matter until our December meeting, at which time we would be happy to have you come to us in person. We could meet with you in executive session and work out some plan covering the entire matter?

"2. Should this special committee, appointed at the suggestion of Mr. Blaisdell, act as the liaison committee between your organization and the commissioners?

"3. Should our special committee on life insurance compile the information asked for, and additional information, if you wish, and send it on to you?

"I should like to assure you that no state has anything to hide, all the commissioners are loyal to the government as well as their own states, and I feel sure that the matter before us can be handled in an amicable way if the proper procedure is followed. I wish such a great distance did not separate us as I would very much prefer sitting down with you and talking the whole matter over. Will you please give me an early reply to this communication so that I, in turn, may offer advice to my fellow commissioners?"

\* \* \*

#### GESELL TO NESLEN

On receipt of President Neslen's letter, Mr. Gesell made the following reply:

"Your letter with respect to the insurance department questionnaire is at hand. The commission is pleased to note your association's voluntary action in appointing a special committee to consider matters arising out of the inquiry which the commission is conducting for the Temporary National Economic Committee. Mr. Blaisdell had told me your associates suggested the formation of such a committee last December, and I was looking forward to hearing from you. I very much appreciate your writing, and I shall be glad to cooperate with you and your committee in every way.

"The questionnaire was forwarded to each of the 49 commissioners because it

was our desire to obtain information from each commissioner with respect to the operations of his particular department. We are seeking an expression of the individual opinion of the commissioners and desire to understand the special regulatory problems of each of them. This method of obtaining the information by direct replies from the individual commissioners is best suited to our administrative organization and was determined upon after careful consideration of time, expense and the purposes to be served. Indeed, I am sure you recognize that the members of your committee have neither the time nor facilities for compiling the material, particularly as it relates to the operations of many insurance departments with which the committee members are not familiar in detail and for which they would not wish to take responsibility.

#### Ready to Give Information

"I note you say that some commissioners are 'at a loss to know just how they should act,' and may not understand what is wanted and their replies may, therefore, be misinterpreted or misunderstood. Should a commissioner have any question as to the nature of the information required in response to any question I am sure it can be clarified by correspondence. We have already been in communication with several commissioners, assisting them in the preparation of their replies and it is our desire to continue to be helpful in every way possible. Your committee can be of great assistance to this commission by using its good offices to encourage the members of your association to reply to the questionnaire by Nov. 20. We wish to have the facts in hand in order to discuss them with you and your committee and since some time will be required to assemble material after the replies are received, these discussions will be greatly expedited if replies are on hand by the date indicated. In fact, prompt replies may enable us to confer with your committee at Biloxi as you suggest.

#### Information Desired

"You ask whether your committee can compile additional material to assist our study. There are several matters on which we wish information and your assistance in this connection as a 'liaison' for the commissioners will be appreciated. We desire information on the following:

"1. A history of the convention and zone examination system with particular reference to recent changes made in this system and the degree to which examinations held thereunder have been re-

## TNEC Hearings Will Start Again

**WASHINGTON**—Hearings on life insurance will probably be resumed before the Temporary National Economic Committee the middle of next week, with further hearings being held during the latter half of each of the two succeeding weeks, according to reports prevailing here. The subject matter of the hearings is still undetermined.

quired to follow a uniform examination procedure. In this connection, in order to interpret replies to the table accompanying the questionnaire, it is necessary to know the name of each company examined under the convention and zone system since Jan. 1, 1928; the departments selected to represent each zone or participate in the examination; the department in charge of each examination, together with a description of the zones established at the time of the examination.

"2. The efforts of the association to establish uniform state laws regulating life insurance or some aspect of the life insurance business and the precise degree to which efforts in this direction have been facilitated by the association's activities.

"3. The activities of the association in handling moratorium problems during the depression and in working out methods for administering receiverships, bankruptcies and liquidations of impaired or insolvent companies.

"4. The extent to which the association can enforce its recommendations, and methods utilized in following up its proposals to determine whether they are put in effect and to make certain that they are brought to the attention of commissioners not attending the conventions. Also a description of the activities of the 25 committees referred to in your letter and a discussion of the methods by which the association is financed with the names of the principal members from whom contributions are received.

"I, too, am sorry that we are separated by such great distance and look forward to an opportunity to make your personal acquaintance in the near future. In the meantime, know that we look to you to exercise your leadership in the association toward the end that the questionnaire may be completed by your members in the public interest which we all serve."

\* \* \*

#### NESLEN TO GESELL

President Neslen sent a further letter to Mr. Gesell, containing additional information regarding the presence of Mr. Blaisdell at the Des Moines meeting of the commissioners. He said:

"I sent a copy of the letter which I sent to you on Nov. 2, to Commissioner Palmer of Illinois. Mr. Palmer has acknowledged receipt of it and he gives me some information that I did not have at the time I wrote you. I conveyed the thought that your department had sent Mr. Blaisdell to attend our Des Moines meeting, and that at his request, a committee of our group was appointed to be in touch with him. I learn now from Mr. Palmer that Mr. Blaisdell attended the Des Moines convention as a guest and at the invitation of Commissioner Palmer. Mr. Blaisdell did not request the opportunity to speak, but Commissioner Palmer asked of the convention permission to have him speak at our executive session. Further Mr. Palmer was the one who suggested that this liaison committee be appointed to cooperate with Blaisdell and your organization. I think that you should know this, as I want to have the record clear upon all points."

\* \* \*

#### GESELL TO NESLEN

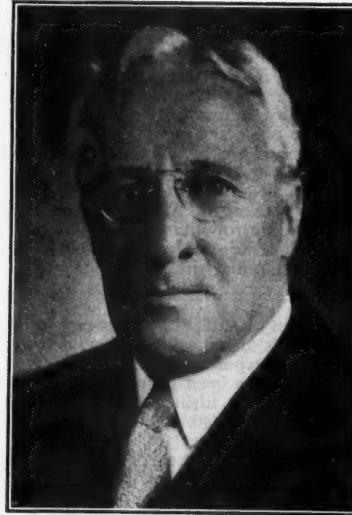
In reply, Mr. Gesell said, referring to his letter of Nov. 7, quoted above:

"Thank you for your letter of Nov. (CONTINUED ON PAGE 20)

## RECEPTION COMMITTEE



JAMES A. FULTON



LEIGHTON McCARTHY

President James A. Fulton of the Home Life of New York has been appointed chairman of the reception committee for the annual meeting of the

Association of Life Insurance Presidents, Dec. 14-15, in New York. Leighton McCarthy, chairman of the board Canada Life, is named as vice-chairman.

## N. Y. Exams Seen as Drastic But Salutary Step

**Brooklyn Supervisors and Managers Discuss Recruiting Under Written Tests**

BROOKLYN—While the written examination requirement for all new life agents after Jan. 1 will have quite an effect on recruiting and training, the consensus at the annual luncheon of the Brooklyn Supervisors' Association for the Brooklyn Life Managers' Association was that the net result would be beneficial, inasmuch as agents would have to be more carefully selected not only because of the type of examination to be given but because the tests will be given only six times a year.

Harold Alexander, New York Life, president of the supervisors' association, led off the discussion and asked for opinions from those present. A. J. Johannsen, general agent Northwestern Mutual, said the examinations would cover life insurance principles, state laws, and recommendations to policyholders. He contrasted the procedure to be followed with that in some other state, saying that it will not be possible to obtain lists of questions from which the examination questions will be taken, nor will the same questions be used in successive examinations, nor will it be possible to get copies of the questions, since they will be turned in after each examination.

### Time for Preparation

Mr. Alexander suggested that agencies would probably run insurance courses timed to prepare their prospective agents for the examinations. He predicted that with a two months interval between examinations it would be necessary to pick men with extreme care, using every possible aptitude measure.

A. G. Correll, general agent New England Mutual, said that one effect of the examinations and the consequent greater care in selecting of new men would be to eliminate the bad impression that a large part of the public has about the amount of pressure that is put on prospective agents to get them into the life insurance business. He recited his recent experience with the Cunard-White Star steamship line, which because of war conditions recently found it necessary to release about 75 percent of its help in New York City. The company wrote to many New York employers, seeking to place these employees in new jobs.

### Too Much Pressure

Mr. Correll said he talked to the Cunard people but found them unwilling to suggest that any of their people take up life insurance because on the previous day some of their employes had talked to life insurance managers and general agents and had been subjected to so much pressure that they were disgusted. Mr. Correll said that this sort of thing is keeping many good men from seriously considering going into life insurance. He said that the companies are increasingly active in trying to correct the situation.

Edward Rosenbaum, Equitable Society, vice-president of the supervisors' association, said that many costly mistakes have been made in putting men on in order to impress the home office. He predicted that the examinations will make it possible to continue training the new agents for a month at least after they pass the examinations because the two months interval between examina-

(CONTINUED ON PAGE 20)

### Tenth Anniversary as President Observed



GEORGE WILLARD SMITH

The entire New England Mutual Life organization honored George Willard Smith on the occasion of his tenth anniversary as president.

Mr. Smith held an informal reception for the 600 members of the home office staff. Many beautiful floral tributes were presented by the various departments and by the company's 70 general agents. In the evening he was tendered a dinner by his associate officers and directors.

Representing field men from coast to coast, Guy D. Randolph, president of the General Agents Association, made a special trip from Cincinnati.

Since Mr. Smith took the reins, insur-

### Wagner's Annuity Plan Reported Dead as Supporters Cool

NEW YORK—The government annuities proposal of Senator R. F. Wagner is due for a quiet collapse, since it is reported that Senators and Representatives who customarily support the Wagner social reform measures have withdrawn their support on learning that the plan is based on fallacious premises both as to possible savings in cost and competition with insurance companies.

### Claims Strikingly Refuted

The Wagner proposal, calling for issuance of annuities up to \$100 a month income to be sold through the postoffice, was based on the idea that the cost would be 30 percent less than if bought through private companies and that companies are not interested in annuities as small as \$100 a month. Company and agency representatives quickly marshaled figures to show that the average annuity is for somewhat less than \$30 of monthly income and that it is ridiculous to suppose that a 30 percent reduction is possible, since annuities are sold on a relatively narrow expense margin and are not a source of gain to surplus either from mortality or interest.

It is understood that a strong reason for Senator Wagner's supporters turning cool toward the annuity proposal was the realization that it would involve a heavy tax burden on the public without any corresponding benefits to any except the relatively few who buy the government annuities.

ance in force has increased \$375,000,000 to \$1,500,000,000 and assets nearly doubled, while \$350,000,000 was paid to policyholders.

## SIX FEET BEYOND

The Calhoun Mine in Lumpkin County, Georgia, was where gold was first discovered in this country. There came a time when geologists there decided that the richer veins were exhausted and operations on a large scale could not be continued profitably. And about then, in 1849, the California Gold Rush diverted the attentions of the Lumpkin County miners, and the Calhoun was abandoned.

While mining thereabouts was continued on a reduced scale, it is just now discovered that the Calhoun Mine has a much richer vein of gold than was ever before known in the county. This new bonanza is only six feet beyond the excavation abandoned in 1849 by miners who had rushed off on a hazardous journey of 3000 miles to California.

A Georgia general agent comments: "I see representatives of other life companies, with offices not located in our building, coming in to see people in our building, while we are going across town to see other people. And sometimes instead of going anywhere in particular we are wondering where we can find good prospects."

Where? Perhaps "six feet beyond."

\* \* \*

### THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY  
Chairman of the Board

JOHN A. STEVENSON  
President

INDEPENDENCE SQUARE, PHILADELPHIA

### Despite Money Rate Outlook, Banks Still Seek Policy Loans

#### But Insured Show Less Haste Than Last Spring to Refinance

NEW YORK—Hopes that a war boom will bring higher interest returns have not yet diminished the flood of money from banks wishing to make loans on life insurance policies. Since some of these commitments run as high as three years, it is apparent that the banks are betting that there will be no substantial increase in money rates for some time to come. In fact, the supply of money so far exceeds the demand that advertisements constantly appear in the daily papers offering attractively low policy loan interest rates. Loans are offered at as low as 2½ percent if the amounts are large enough, say \$100,000 or more.

According to leading brokers in this field, there was considerable uncertainty early in September as to whether this level of rates would continue to prevail but since then the net effect of the war has been about zero. There was a temporary tightening of rates at the time of the Munich scare a year ago but rates soon got back to the previous level.

#### N. Y. Banks Still Leary

While much of this business is transacted in New York City, most of the big New York banks do not care to put out large amounts of money in this type of investment, despite the attractiveness of its yield as compared with other avenues open to them. This is due in part at least to not wishing to offend the life companies who are big depositors and who frown on bank loans on policies because of the possibility of legal entanglements, particularly in connection with settlement options.

Many of the banks which make life insurance loans are out-of-town institutions dealing through New York representatives. Such a bank may decide to put out, say \$300,000 or \$500,000. When this is done that particular bank will be out of the market for some time. Consequently, a large brokerage concern in this field may number as many as 50 banks in various sections of the country among its clients.

#### Small Town Situation

Banks in small towns particularly are up against it for investments. Bonds, if they are sufficiently liquid, bring only one-quarter to one-half of 1 percent. Commercial paper, six months' maturity, brings only about three-eighths of 1 percent. Banks will lend on listed securities as collateral at the rate of 1½ percent and on government bonds at 1 percent, so it is obvious that even the lowest life insurance rate of 2½ percent looks very good.

It has been noticed that there is no longer the haste on the part of policyholders to refinance their loans or make new ones at the low rates offered. Last spring many assured seemed to fear that if they did not make the arrangement at once the rates would go up so sharply as to eliminate much of the hoped-for savings. Probably another reason for the lack of haste is that policyholders have come to realize that there is more involved than just letting go of one loan and taking another at a lower rate. Some of the big New York companies will not continue or reinstate settlement options while an assignment is in effect and all

(CONTINUED ON PAGE 20)

## DOUBLE PROTECTION TO AGE 60

Designed for the man whose family responsibilities outweigh his ability to finance sufficient permanent life insurance.

Since Union Mutual began writing this contract last July 1, it has become one of the Company's leading policies in popularity.



**UNION MUTUAL**  
LIFE INSURANCE COMPANY  
PORTLAND MAINE

★ Issued the Country's first Endowment February 9, 1850 ★

### WHAT TO KNOW ABOUT LIFE INSURANCE—

By J. B. Duryea.....Price \$1.50  
A practical, clear statement by a field man or what the average salesman needs to know about the fundamentals. Order from The National Underwriter, A1046 Insurance Exchange, Chicago.



### Meet Mr. CAMPBELL

General Agent for The Midland Mutual, Parkersburg, W. Va.

"Every man in my agency is a producer. We are putting Company aids to work and backing every effort with personal contacts."

Mr. J. R. Campbell came with the Midland Mutual August 1, 1930. His agency has shown a steady consistent production increase because of adequate training and close supervision of his men. The Midland Mutual believes in man-building for productive man-power.



Write for your copy, "Are You Flying the Beam?" See the type of aid furnished free to agents by the Midland Mutual.

MIDLAND MUTUAL LIFE INSURANCE COMPANY . . . COLUMBUS, OHIO

## Coates Heads Coast Actuaries

### Investment, Actuarial and Underwriting Subjects Treated at 3-Day Meeting

Barrett N. Coates of Coates & Herfurth, consulting actuaries of San Francisco, was elected president of the Actuarial Club of the Pacific at its fall meeting in Del Monte. Mr. Coates succeeds C. H. Tookey, Occidental Life, who becomes a member of the executive committee. Arthur W. Havens, Pacific Mutual Life, former secretary, was elected vice-president, and Charles Torok, Metropolitan Life, secretary. The officers, with Mr. Tookey and Raymond R. Brown, Oregon Mutual Life, compose the new executive committee.

D. L. Clarke, executive vice-president Occidental Life, gave a paper, "Investment Strains and Stresses," on the first day, which was devoted to investment subjects. "Investment Policy for Life Companies" was treated by R. W. Cross, manager of security investments for Pacific Mutual. Mr. Clarke's paper pointed out the tremendous problem of the investment department in keeping invested at satisfactory rates of interest the large volume of reserves which are constantly increasing. Mr. Cross stressed the principles of investment which life companies must follow.

#### Miss Ritter's Address

Miss Lucy E. Ritter, security analyst of California-Western States Life, gave a talk on "Investment Records" and showed the actual forms in use by her company. R. B. Richardson, Western Life, who acted as chairman of the investment section, read the paper given by D. L. Rose before the last meeting of the American Life Convention. This was followed by a spirited discussion regarding the problems involved in obtaining a satisfactory return on investments. The investment officers attending all stressed the fact that the actuaries should be conservative in the rate of interest.

used in computing premiums, so that too great a strain would not be thrown on the investment department.

The second day's discussion was devoted to actuarial subjects. A. W. Havens, Pacific Mutual, presented a paper on "Non-Participating Premiums," which was formally discussed by H. R. McCorkle of Occidental. A. G. Hann, Pacific Mutual, gave a complete analysis of the "Problem of Short Term Endowments." The subject of social security changes and their influence on life insurance was discussed at length, the consensus being that the life insurance benefits under the amended act should stimulate the sale of insurance, as the basic benefits now provided can be supplemented by a moderate amount of insurance to give a substantial income benefit to dependent children.

#### Annuity Reserves

A. W. England discussed the problem of "Annuity Reserves," and particularly the difference in mortality experience in certain pension funds. Among the other subjects discussed were "Current Disability Experience," "War Clauses," "Practical Method of Determining Profits Through the Year," and "Settlement Options," and "Methods of Improving Persistency."

Underwriting subjects were discussed the third day. Louis Schmoll of Metropolitan Life acted as chairman. Raymond Brown gave a paper on "Juvenile Underwriting." A. M. Strubhar of Pacific Mutual discussed "Selection from Term Insurance." P. L. Davies, chief underwriter Occidental, stressed the danger of anti-selection during the present trend toward low cost insurance. He read some agency material which made much capital of the options of renewal and conversion and pointed out that if term insurance were sold on this basis, it would be very difficult for the underwriters to select business which would give a normal mortality experience.

R. W. Arfsten, in charge of the conservation division of Metropolitan Life at San Francisco, gave a paper on the "Underwriting of Reinstatements." A. A. Ferguson of West Coast Life read a paper on the same subject, prepared by Carlos Warner, secretary of West Coast Life.

The subject of "Time Control for Inspection Records" was discussed by R. P. Beckham of the Retail Credit Company, S. S. Ridgely of the Hooper-Holmes Bureau and American Service Bureau, and Mr. Truesdell of the Hartnett Inspection Service.

#### Nebraska Ruling on Investments

LINCOLN, NEB.—A ruling by Insurance Director Smrha holds that after a life company has invested funds in the bonds of a corporation, if an officer of the corporation issuing the securities is elected a director, this will not operate to deprive the investment of its status as an admitted asset. Neither will it call for the resignation of the director as ineligible nor the disposal of the securities.

#### Burial Outfits Barred

PROVIDENCE, R. I.—Three companies which have been selling "burial certificates" in Rhode Island have been barred from doing business by the insurance department. Three similar companies were barred a year ago. A salesman of one of the companies is under indictment in Massachusetts on charges of violating the insurance laws.



Officials of the Institutum Divi Thomae, Cincinnati, announced that through the generosity of C. F. Williams, president Western & Southern Life, and Mrs. Williams, it had been possible to establish at St. Francis Hospital in Cincinnati a research laboratory and cancer clinic which will make the city one of the leading centers for cancer research and treatment in the United States. The central piece of equipment in the laboratory is a 400,000 volt x-ray machine which will be in charge of Dr. George Sperti, director of the institutum.

# BROAD SCOPE OF EQUITABLE SERVICE



- TO PROTECT THE FAMILY AND THE HOME
- TO PROVIDE INCOMES FOR WIFE AND CHILDREN
- TO PAY FOR EDUCATION OF BOYS AND GIRLS
- TO STRENGTHEN THE BUSINESS AND CREDIT  
OF INDIVIDUALS, FIRMS AND CORPORATIONS
- TO SAFEGUARD ESTATES
- TO PAY INHERITANCE TAXES
- TO ASSURE HOME OWNERSHIP
- TO EXTEND GROUP INSURANCE BENEFITS TO  
FAMILIES OF EMPLOYEES
- TO ENABLE EMPLOYEES TO PURCHASE INSUR-  
ANCE ON A SALARY SAVINGS PLAN
- TO HELP MEN AND WOMEN BECOME FINAN-  
CIALLY INDEPENDENT
- TO START CHILDREN IN THE PATH OF THRIFT

THERE ARE EQUITABLE POLICIES FOR ALL THESE NEEDS AND EQUITABLE REPRESENTATIVES  
ARE BY TRAINING EQUIPPED TO EXPLAIN AND ADAPT THEM APPROPRIATELY

**THE EQUITABLE LIFE ASSURANCE SOCIETY  
OF THE UNITED STATES**

## Self-Assertion Is Recommended

**Story of Hercules Life Is Eloquent Endorsement of Insurance Management for Insurance Companies**

*This is the third and final installment of the observations of Walter E. Webb on the operations of Sears, Roebuck & Co., in the life insurance field.*

By WALTER E. WEBB

One swallow doesn't make a summer and one mistake doesn't peg a corporation. Sears is conspicuous for customer allegiance, expansion, financial stability, earnings and cash returns to stockholders while maintaining a reputation for giving value received to the buyer. It is fulfilling the aim of a commercial enterprise. The management is capable because a business cannot succeed with

failing men. It must be right most of the time and should not be condemned for trying or if it commits error in so doing. The moral of the Hercules drama is that the bigger they are the harder they fall, that the best of them get in over their heads, that self-preservation is as deeply rooted in the big shot as it is in the little fellow, and when it is endangered, the tycoon flounders around trying to save his bacon in the same distraction of the housewife who flees her burning home with nothing but her canary in a cage.

Sears has a research department and laboratory through which any new product is passed under the severest

tests and must come out all that it is represented to be, before receiving the Sears endorsement of integrity merchandise. But, the Hercules was picked on the wing, it all apparently appeared so simple that the customary microscopic examination was waived. It cannot have been otherwise since a cursory investigation would have revealed that the expectations of Sears were beyond all reasonable hope of realization. It is regrettable that this exception to the rule occurred in connection with an enterprise inherently fiduciary.

### Net Result Was Profit

Sears went out with more money than they took into the business. But, for their reputation, one might well assume that instead of engaging in the life insurance business they had stepped "in between" and scalped a profit out of an unfortunate situation. They served as trustee for four years plus, but they abandoned their responsibility when times became uncertain and withdrew their strength when it was needed. What they quit doing far outweighed the value of what they had done. The policyholder got nothing that he would not have received at the hands of another qualified bidder, which Sears successor was. In my opinion as a policyholder, the National Life Fund suffered hardship if not actual loss as a result of Sears sally into an unknown field. And as a matter of all fairness and equity it would have been becoming to the reputation of Sears if they had turned over their "profit" in exchange for the return of their million dollars and a release from further liability.

The director of insurance was the sole representative of the policyholders' interests and as stated did his job well.

The record of Sears-Hercules should serve as an inspiration to the underwriter and to the life insurance management for life insurance companies. Where time is essential to the growth, profit, and fulfillment of contractual obligations an institution cannot spring into being overnight capably manned and equipped to carry on safely and permanently. The soil is not fertile for the business concepts which, in four years plus, account for the start and finish of a company, beginning with a chairman of the board, ending without one, having two presidents, the home office set up in three different places, and a sponsor who in two years time did not sit through one directors meeting and appeared only momentarily at two of them. So, the story of Sears Roebuck and the ill fated Hercules is an eloquent endorsement of life insurance management for life insurance companies and the American agency system.

### Need Self Assertion

It is entirely possible that what the life insurance business needs is merely self assertion and self revelation. The mistakes have been so trivial, the failures so rare, the loss to policyholders so slight that all these incidents serve only as testamentary proof of sound management. The life insurance companies performance in a fiduciary relationship of national significance, is unmatched by that of any other public service institution.

There are some signs that the institution is subdued by its mistakes rather than inspired by its success.

It may be that silence in the face of unwarranted criticism is the wise course and that time will clear the atmosphere, if sleeping dogs are permitted to lie. But, the dogs are not sleeping and they are baying in the wind and disturbing the peace of mind of the people. The TNEC apparent objective arises from a hope that there is enough "underneath" to justify agitation for "reform" and federal control. The facts show to the contrary.

Every family in America is interested in life insurance, whether or not any member of it carries life insurance. The institution furnishes money in great sums to make the mare go, in the creation, maintenance, expansion and distribution of food, clothing and shelter,

## President Dead



E. LEE TRINKLE

E. Lee Trinkle, president Shenandoah Life of Roanoke, Va., and a former governor of Virginia, died in a hotel in Richmond while on a visit to that city. His death was ascribed directly to pulmonary edema or accumulation of fluid in the chest. Coronary thrombosis was given as a secondary cause by attending physicians. He passed away a few hours after being stricken. He became associated with the Shenandoah Life soon after finishing his gubernatorial term in 1926 and was later elevated to the presidency. He was a past vice-president of the American Life Convention and a former director of the United Life & Accident.

He was elected governor of Virginia in 1921 by the largest majority ever given a candidate for that office. From 1914 to 1921 he was a member of the Virginia senate. While in this body he was active in securing the passage of Virginia's workmen's compensation law.

He was born in Wytheville, Va., March 12, 1876. After securing a law degree from the University of Virginia in 1898 he practiced in Wytheville for many years.

— the very essentials to a nation's existence.

No other public service takes such a part in the daily lives of all the people, everywhere. No other public service has so neglected adequately to convey the obvious and commendable facts to the public. There is no other business approaching the magnitude of life insurance which has done less, or would have done so little, to establish public acceptance of its product, as an advance guard for its salesmen on the firing line. Too much of the companies work has been left on the shoulders of the fieldman.

This statement is not refuted by the more than \$100,000,000,000 of insurance in force. That is there because of the drive of mass field organizations, which have drilled their way through the shell of public ignorance and apathy and, by persuasion, aggression, influence and artifice, moved the prospect to become a policyholder.

The institution has dignity but it is unhampered by the so-called ethics of the law or medicine. The companies, as such, should not reside in comparative seclusion while the fieldmen go out getting business for them, almost at the point of a psychological six shooter.

### Commends Selection of Johnson

Life insurance companies, as a group, may well employ the broadest means, the efficient advertising counsel and facilities and enlightened public relations authorities to place the true story of life insurance before the people. If the companies cannot justify that expense,

1909



1939

**Prophetic are these "nine" years marking the decades since the founding of the Great Southern in November, 1909. Each has hurled its challenge to the institution of life insurance, and each time the challenge has been met and conquered.**

**Great Southerners will tell you their Company is held in high esteem. Thirty years of conscientious service have given them an open sesame into the homes and work shops of their clients and policyholders.**

**We invite inquiries from men who would build with us.**

**GREAT SOUTHERN  
LIFE INSURANCE COMPANY**

E. P. Greenwood  
President

Home Office  
Houston, Texas

# What *Modern* life insurance plan has been designed particularly for *Fathers of Young Children?*



## THE NEED



Nearly every father of young children would agree that he faces a *real* life insurance problem. How can he, within his limited budget, provide *adequate* 'income protection' for his family at least until his children are grown? If anything *should* happen, he wants his wife to be entirely free to watch over the home; for he knows that the greatest gift that any father can leave his children is their mother's time and care. Also, he wants permanent protection for his wife to continue after their children are grown.

But when he thinks of his expenses and all the things he wants to do for his family, he wonders, 'How can I afford all this insurance protection now, when I need it most?'

**THE POLICY** Here is the way this problem has already been solved by thousands of fathers of moderate means. For example, a young father takes a New York Life 'Family Income Policy' of \$10,000 (face amount) with a '20-year period.' If he dies at any time during the '20-year period,' the New

York Life will pay an income of \$100 a month for the remainder of the 'period' . . . and then, at the end of the 'period,' will in addition pay \$10,000. To illustrate the maximum of guaranteed payments that might be made: If the father died immediately after the policy was issued, the income payments of \$100 a month would run for the full 20 years; so the total income payments of \$24,000 plus the \$10,000 payable at the end of the period would amount to \$34,000. If he outlives the '20-year period,' the sum payable in event of his death would be the face amount, \$10,000. Of course, if he lives to retirement age, as so many do, he can obtain, through his policy, a life income for his later years.

And the premium? You will probably be surprised to learn that during the '20-year period' the rate is not much higher than for Ordinary Life. After the 20th year it is exactly the same as the Ordinary Life rate. In short, the premium is very attractive in view of the amount and kind of protection offered. This policy, of course, is also issued for larger and smaller amounts than \$10,000, but \$2,000 is

the minimum. Policies with ten, fifteen or twenty-year periods are available according to the age of the father.



As you can see, this policy fills a real need for a great many fathers. Ask a New York Life representative to tell you about it . . . or write to the Home Office at the address below for our Family Income booklet.

**THE COMPANY** The New York Life aims to provide life insurance at the lowest cost consistent with the ample margins of safety which the Company feels it should always maintain. A policyholder's premium rate cannot be increased above that stated in the policy, but annual dividends, as declared, may be used to reduce the premium payments. Dividends are derived from earnings of the Company in excess of the amount deemed necessary to keep it in a sound financial condition. Policyholders get their insurance at cost. The Company pays dividends to policyholders only. The New York Life is, and has always been, a mutual company.

# NEW YORK LIFE

INSURANCE

*A Mutual Company*



COMPANY

*Founded April 12, 1845*

THOMAS A. BUCKNER, Chairman of the Board

51 Madison Avenue, New York, N. Y.

ALFRED L. AIKEN, President

**SAFETY IS ALWAYS THE FIRST CONSIDERATION . . . NOTHING ELSE IS SO IMPORTANT**

## IT MADE LITTLE DIFFERENCE TO THE TURKEY

Whether you observed Thanksgiving Day on the 23rd or the 30th . . . the result was the same to the turkey.

And, after all, did it matter anyway?

In keeping with custom, established by the Pilgrim fathers and preserved as an American institution, Thanksgiving Day is but one day of the year set aside for acknowledgment of our debt of gratitude for our blessings and our well-being.

We in the business should give thanks **every** day . . . thanks for the opportunity to help men and women plan their future security, provide for dependents, pay mortgages and buy education for children, . . . thanks for the fine record of achievement that is ours through the years, and for the American agency force that surpasses any like it . . . thanks for the confidence of the American people.

# The NATIONAL LIFE AND ACCIDENT Insurance Company, Inc.

C. A. CRAIG, Chairman of the Board      C. R. CLEMENTS, President  
 HOME OFFICE      NATIONAL BLDG.  
 NASHVILLE      TENNESSEE



whether they are stock or mutual, they cannot justify their existence.

Above all else, the plan should be developed and executed under one who knows from actual experience what the problem is, a fieldman who has been in the field and who has worked with the fieldmen in the field. Holgar J. Johnson, just elected president of the Institute of Life Insurance, can do the job and it is to be hoped that he will be given the power in fact and the money to render this sorely needed service of information to the public.

As M. S. Rukeyser recently stated in connection with the Annual Message of Life Insurance, the companies would do well to let the policyholder know what he has done, that his money has made the companies what they are today, that he is reading and hearing about himself, that he does need to depend on the company and that he is the company.

### Bread and Butter Provisions

The subject has been one of desultory discussion for years but nothing has really been done about it. The retirement income policyholder, shown on a cruise in the magazine pages, only serves to estrange the average man rather than to draw him into the confidence of the companies. It encourages him to think of life insurance as a thing apart instead of just the thing he needs. He is lucky to be able to buy a \$2,000 policy, ever. That's still about the average and you can't lean over the rail in tropical waters on that kind of money. The companies should get right down to the bread and butter provisions of life insurance protection.

The time always comes when something should be done. The time is here now when the life insurance companies should discourage a responsibility and embrace an opportunity. An effective campaign will tell the policyholder what he should know and/or open the door more easily for the underwriter to tell him.

Life insurance management and life insurance underwriters have made good. The combination is imperative for enduring success—Sears Roebuck & Co. proved that. The public should be told.

### Fee Counsellor's Troubles Increase

Ira W. Wolfe, president Policyholders Research Institute, Chicago, who clashed recently with State's Attorney Courtney and the Chicago Better Business Bureau, has now been informed by the Boston Better Business Bureau that he has violated the law by reproducing copyrighted material of that bureau. K. B. Backman, general manager of the Boston Bureau, has notified Mr. Wolfe as follows:

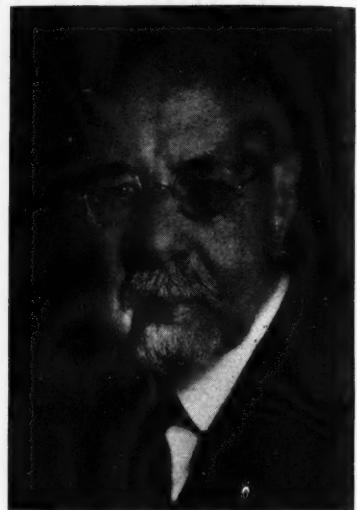
"We have been advised that you have reproduced without permission the front page of a booklet entitled 'Facts You Should Know About Life Insurance,' the copyright of which booklet is held by this bureau. Application has also been made for trademark registration of the form, style, etc., of the cover of this booklet as one of the series of 'Fact Booklets.'

"We regard your action in this connection as an infringement on our rights. Before referring the matter to our attorneys for legal action, I am writing to you as we understand you have taken the position that you would not desist from further use of the reproduction of the cover of this booklet. In that event we can only proceed as you have suggested, in the courts. But before initiating this procedure, we are writing to you."

"This letter is being sent by air mail. Unless a prompt reply is received, we will assume that you will still refuse to desist from further use of the reproduction of the cover referred to."

The Columbus Mutual Life is observing Brandon Month in honor of the 81st birthday anniversary of C. W. Brandon, its founder.

### Retired Medical Director of Northwestern Dies



DR. JOHN W. FISHER

Dr. John W. Fisher, 91, medical director-emeritus of the Northwestern Mutual Life, and dean of the country's life insurance medical directors with 40 years of service when he retired from active duty in 1936, died at the home of his daughter in Detroit. He left Milwaukee last year to make his home with his son, J. W. Fisher, Jr., in Wilmette, Ill., and had been visiting his daughter, Mrs. Robert Herdegen, for several months. His death came unexpectedly.

Funeral services were held in Milwaukee Tuesday. Many of the Northwestern Mutual officials and Dr. Fisher's former associates in the medical department attended. Pallbearers were Dr. D. E. Wenstrand, present medical director, who succeeded Dr. Fisher in 1936; Dr. R. T. Gilchrist, Dr. W. G. Hyde and Dr. A. W. Sivyer of the medical department; Louis L. Marsh and John J. Gallagher, who were associated with Dr. Fisher in the department for half a century.

Dr. Fisher was born in Terre Haute, Ind., Sept. 10, 1848. He received his A. B. degree at the University of Wisconsin in 1875, and his M. D. degree at Rush Medical College in 1877. While engaged in private practice, he became a medical examiner for the Northwestern Mutual, and was appointed assistant medical director in 1885. In October, 1896, Dr. Fisher became chief medical director on the death of Dr. L. W. McKnight, his father-in-law and the company's first medical director. He served under four presidents. His outstanding achievement was the introduction of blood pressure determination in routine life insurance examinations. He was one of the organizers of the Association of Life Insurance Medical Directors.

### Quarter Century Club Muster of the Penn Mutual Life

There was held in Philadelphia the annual dinner of the Quarter Century Club of the Penn Mutual Life, composed of the 133 home office employees who have been in the service of the company for 25 years or more. Of these 77 attended the dinner. The toastmaster was F. R. Leech, president of the club, and the only speakers were John A. Stevenson, president, and W. H. Kingsley, chairman of the board. Mr. Kingsley was one of four men present who have been over half a century in the service of the company.

The average employment of those present was 35 years, and their combined years of work for the company totaled 2,684. The historian of the group pointed out that if their combined 2,684 years had been served by one employee that man would have first joined the Penn Mutual in the year 745 B. C.

## Rouillard Injects New Elements in Agency Licensing

Commissioner Rouillard of New Hampshire, in addressing a dinner meeting at Nashua given in his honor by the insurance interests of the state, announced the department is proposing a new form of questionnaire to be completed by applicants for agents' licenses. One of the questions is whether the applicant is now a member or intends to become a member of any insurance association and if so, he is asked to give the name of that association. Mr. Rouillard said that if it were legally possible he would require the applicant to agree to become a member of the proper state association to which he should belong.

Mr. Rouillard urged the agents' associations to adopt some system of qualification for their own members. For instance, he said, certain textbooks could be agreed upon and from these books, examinations would be given by someone who is not a member of the organization. The membership could then be classified, depending upon the ranks obtained in examinations. Possibly there could be three membership classifications. Grade A could include those who got a rank of 80 percent or better, grade B, 70 to 80 percent and C for all under 70 percent. The same qualification ratings could be given to office employees.

### B's and C's Would Be Stimulated

Mr. Rouillard said that after a few agents and employees had become class A members of their associations and had advertised their ranking, other agents would have the incentive to study and get into the top ranks.

Most applicants who are taking the examinations today are better prepared than when the examination law was first passed, he declared. However, some applicants state that they have never seen a policy such as they are to sell and they have been furnished with no information by their companies.

The department intends to make future examinations more difficult, so as to eliminate the unqualified.

The new questionnaires are to be used with new applicants only, but Mr. Rouillard said the department intends in due time to have every agent in the state complete one of these applications.

The questionnaire asks about the school training of the applicant and asks him to outline what lines of future education he intends to follow.

The dinner for Mr. Rouillard was sponsored jointly by the Nashua Fire & Casualty Association and the Nashua Life Underwriters Association. The other speakers included R. S. Perkins of Manchester, president New Hampshire Association of Insurance Agents; A. R. Mills, Manchester, president New Hampshire Life Underwriters Association; Ethel M. Brown of Laconia, president New Hampshire Insurance Women's League, and A. B. White of Keene, former president New Hampshire Insurance Agents Association.

### New Dealer in Lapsed Policies

DES MOINES—A new insurance auditing bureau has been formed in Des Moines under the name of the Insurance Auditing Bureau with the purpose of settling claims for life insurance policyholders. The company filed its trade name with the county recorder listing Gilbert M. Braun, Lauren M. Webb and Scott & C. R. Zempel as its officers. The firm listed its business office at 709 Youngerman block, but so far has failed to move into the location. The members of the company are understood as planning to conduct an advertising campaign for the purpose of soliciting for policies which have lapsed or otherwise believed to contain no value. The company is believed to have connections with a similar Kansas City firm engaged in the same type of business.

## New Ohio Reference Book Is Now Ready

The 45th edition of the Underwriters Hand-Book of Ohio has been issued by THE NATIONAL UNDERWRITER. It contains 888 pages full of data which is interesting and valuable to all who are doing business in Ohio.

In preparing this edition the compilers secured from the Ohio department 78,169 licenses. It is difficult to compare this figure with previous years as this year for the first time the agency was not required to have a separate license as it has been in the past. In 1938 81,977 licenses were received and the compilers estimate that taking this new situation in consideration there is little change in the actual number of agents in the state. The licenses were divided as follows: stock fire 29,612, mutual fire 6,189, stock casualty 16,260, mutual casualty 6,356, life 13,107 and solicitors 6,645.

### Complete Compilation

This new Ohio hand-book gives the complete list of agents and agencies in the state as licensed by the insurance department. These are arranged alphabetically by cities and towns and include the names of the companies represented, members of the agency date established, other business transacted, if any, and other pertinent data. This covers life agents as well as fire and casualty, stock, mutual and reciprocal.

The names of the field men and general agents are given alphabetically in separate lists for easy cross-reference. Statistical data shows fire companies' premiums and losses for five years with classification of 1938 business, casualty classified by lines for two years and life insurance paid for and in force for six years. A resume of the insurance laws of the state is given. This new book brings together under one cover in condensed, carefully indexed, concise form the complete data on Ohio insurance-wise.

### New Agent Winners Visit Penn Mutual Home Office

The Penn Mutual Life has a "President's Club for New Organization" as a competitive encouragement for its first year people. Membership is won for the year's work by the nationally outstanding producer in either lives or volume among all who had come into the business in each month.

The regular quarterly meeting for new members was held in Philadelphia, and the four winners went to the home office to be presented to President Stevenson, and to have two days' intimate study of departmental procedure and headquarters equipment.

The four were: L. O. Reed, Clover Agency, Kansas City; R. B. Johnston, Conrey Agency, Battle Creek, Mich.; V. A. LaBarge, O'Steen Agency, Berkeley, Cal.; A. S. Jessup, Eddleblute Agency, Cheyenne, Wyo.

It is interesting that three out of these four write business in towns rather than big cities, and yet produced a greater volume of business on more lives than their metropolitan rivals during their first year. While they were attending the meeting, they were given a luncheon by President Stevenson.

### Optimistic Over TNEC Conclusions

WASHINGTON, D. C.—Charles J. Zimmerman, president National Association of Life Underwriters, and Holgar J. Johnson, president Institute of Life Insurance, conferred here with Leon Henderson and Gerhard Gesell of the Securities & Exchange Commission regarding the Temporary National Economic Committee investigation. After the conference Mr. Zimmerman reported that he was inclined to feel that the business had over-exaggerated the possible consequences of the investigation. He said the discussions had been frank and open and his reactions were very optimistic.



**CHRISTMAS comes once again—bringing Cheer and Joy to the Nation.**

**THE OCCASION should be a happy reminder to the insurance underwriters of the country that because of their profession — CHRISTMAS DAY has a much brighter outlook in many American homes.**

# BUSINESS MEN'S ASSURANCE CO. KANSAS CITY, MO.

W. T. Grant, President

J. C. Higdon, Vice-President in Charge of Sales

## Wagner Proposal Has Unsuccessful Canadian Prototype

In view of the proposal of Senator Wagner of New York, for the sale by the federal government of annuities that would pay up to \$100 per month, Col. C. B. Robbins, manager of the American Life Convention, has made an analysis of the Canadian government annuity plan which has been operated for about 30 years. Col. Robbins contends that the plan has not been successful. He quoted the chief actuary of the Canadian government as estimating that the rates have been about 25 percent inadequate, due to the inadequacy of the mortality table, the assumption of an excessive rate of interest and failure to make any charge for expense of operation. The plan has

had to be supported by the Canadian government with additional appropriations from the general fund.

The Canadian chamber of commerce in a statement released earlier this year declared that the plan had not accomplished its objectives of forestalling the demand for old age pension plans, due to the fact that every province now has a pension plan. Moreover, according to the chamber of commerce, the plan did not reach the lower income classes but had been used by a small minority of the class which would never become a public charge anyway.

From the inception of the act on March 31, 1937, according to the chamber of commerce, \$2,300,000 was appropriated as a fund to provide for mortality losses alone. During 1938, \$5,000,000 was appropriated for the same end.

The chamber estimates that an additional \$20,000,000 may be necessary to take care of future deficits on account of annuities now in being.



## WHAT WILL THEIR HARVEST BE?

**The future of the mothers and children of your community may be one of security and comfort, or it may be one of barren regrets.**

**Upon the salesman of life insurance rests a great responsibility----the obligation of convincing family breadwinners that their dependents should be protected.**

**Do your part!**



**The Prudential  
Insurance Company of America**  
Home Office, NEWARK, N. J.

## Early Arrivals at Edgewater Park

There will be some early arrivals next week at the mid-year meeting of the National Association of Insurance Commissioners at Edgewater Gulf Hotel, Edgewater Park, Miss. Commissioner Williams of Mississippi, chairman of the executive committee, will arrive early in the week, as will Commissioner Read of Oklahoma, secretary of the association. Director Ernest Palmer of Illinois will report Monday morning for a conference and will get in a couple of days of golf. It is expected that Commissioner Nelsen of Utah, president, will also be one of the early arrivals. Some of the other southern commissioners, Harrison of Arkansas, Julian of Alabama, McCormack of Tennessee and others, are also slated to register before the crowd arrives.

C. J. Zimmerman of Chicago, general agent Connecticut Mutual Life, and president National Association of Life Underwriters, who will address the commissioners Friday morning, will make three stops enroute to Edgewater Park, viz., Memphis, Little Rock and Jackson, Miss., where he will address life underwriters associations in these cities.

### Acacia's President Honors Dean of D. C. Branch Office

WASHINGTON, D. C.—At a luncheon given by President William Montgomery of the Acacia Mutual Life, a diamond service pin was presented to P. L. Rogers, dean of the District of Columbia branch office in honor of his 25th anniversary with Acacia Mutual. President Montgomery read a resolution of appreciation and commendation adopted by the executive committee of the company.

President Montgomery pointed out that Mr. Rogers' monthly income under the Acacia contract, which provides a monthly income based on the amount of insurance a man keeps in force, has grown steadily throughout the years until it is now just short of 100 percent more than his first-year commissions. This fact, President Montgomery said, is positive evidence that Mr. Rogers throughout the years has given his policyholders service that has kept insurance in force to fulfill its purpose in protection and that has prevented lapsation with its consequent waste and loss to the public. The president also mentioned that Mr. Rogers is still receiving monthly income on policies written as early as 1915.

Mr. Rogers responded briefly to President Montgomery's talk, attributing his enviable record to the opportunities afforded him by his association with Acacia. Among the gifts he received at the luncheon were a pen as a personal gift from President Montgomery, a lamp, and 25 red roses—one for each year of service—for Mrs. Rogers.

### Mutual Life Columbus Office Is Very Active

The Columbus, O., branch of the Mutual Life of New York has exceeded its quota every month for the past 13 months. So far this year the office shows a gain of 7 percent in paid for business over 1938. New organization under the supervision of E. C. Danforth, agency organizer, accounted for a good share of the increase. Mr. Danforth has been successful in securing and training recent college graduates.

The Columbus agency has moved up from 30th place in April to eighth place in November. R. W. Weather, manager, is doing an outstanding job in building the agency.

The Maryland state agency of National Life of Vermont has been moved to 408 Maryland Trust building. A reception is being held Dec. 14. G. P. Roberts is general agent.

## Has Long Record of Weekly Production

Roy C. Conover, district agent of the Mutual Life of New York at Springfield, O., has just completed 634 weeks of consecutive weekly production. He entered the life insurance business with the Mutual Life 13 years ago and has qualified for the Quarter Million Dollar Club every year.

## Sees Group in Force at Year End as \$14,500,000,000

President T. I. Parkinson of Equitable Society predicts that the volume of group life insurance in force in all companies will amount to about \$14,500,000,000 at the end of this year. The present volume in Equitable Society exceeds \$2,100,000,000 covering about 1,300,000 lives. The total number of employees protected under group insurance in all companies is about 9,000,000, according to Mr. Parkinson.

The return of favorable business conditions together with an extended appreciation of the benefits of group insurance, he said, has resulted in record volume in force figures in the other group coverages including group accident and health, accidental death and dismemberment, hospitalization with surgical benefits and group annuities. The volume of group accident and health in force in Equitable Society has increased about 10 percent during the year. The greatest increase has been in the hospitalization field. The volume of hospitalization insurance in force in Equitable has increased more than 90 percent and surgical benefits, the newest coverage, shows a 175 percent gain.

### Lincoln National Life's Presidents Club Leaders

Charter members of the President Club, newest and highest ranking convention club of the Lincoln National Life, have been announced. Ten field men are on the list: J. G. Hopkins, Newport News, Va.; F. M. Moore, West Lafayette, Ind.; J. O. Bradshaw, Ames, Ia.; Dennis Radford, Jr., Omaha; C. R. Petticrew, East Lansing, Mich.; C. B. Rittenberry, Amarillo, Tex.; Clyde Chaddick, San Antonio; L. G. Rupert, Kansas City, Mo.; E. M. Crandall, Salt Lake City, and H. C. Lawrence, Newark.

President Club members will be awarded, in addition to the regular convention trip to Miami in January, a special cruise to Havana.

To qualify for the President Club, an agent must produce approximately twice as much volume as for the Emancipator Club—formerly the highest ranking convention club.

### Chipman Agency Celebration

COLUMBUS, O.—Following the agency's fall campaign which netted 618 applications for \$1,444,000, of which \$1,186,913 was on binder, about 100 agents and their wives of the H. A. Chipman agency of the Equitable Society attended the agency's anniversary celebration and Thanksgiving party at Granville, O. Guests included A. B. Dalager, second vice-president, New York, and Ivan Hicks, divisional manager group department, Chicago. V. C. Smith, Columbus, was unanimously declared winner in the traditional "head man" contest, the other two candidates for the honor who were picked by three judges being H. L. Andrew, Columbus, and M. W. Levering, London. Following the dinner, Mr. Dalager spoke informally about his experiences as an agent in the field and Mr. Hicks talked on "Today's Opportunity." Live turkeys were presented members of the Gobblers Club, Mr. Smith also winning the chief gobbler award with 32½ applications produced during the campaign.

## Arkansas Court on Disability Benefit

### High Tribunal Discusses Primary Purpose of This Indemnity

The Arkansas supreme court in *Magers vs. John Hancock Mutual Life* discussed the purpose of disability insurance and the effect of business success of the policyholder on his right to further disability benefits. In this instance, Magers suffered an accident in 1933 and has been unable to look after his large farming interests since except by employing a foreman, and through the assistance of his wife, a daughter, and a son-in-law. For a period of five years after his injury the company paid him \$150 a month, as provided in the policy. The John Hancock finally declined to make further payments, insisting that the policyholder was able to take care of himself, and that his earnings and activities were such as thoroughly to demonstrate the fact that he was not totally disabled.

#### Had Considerable Income

From his bank account offered in evidence, it appears that the policyholder's earnings had been phenomenal. He explains that there had gone into this account the \$9,000 he collected from John Hancock; about \$4,000 from the AAA, \$6,000 from the sale of 40 acres of land; \$3,000 from 17 acres of land sold; \$7,000 from 64 acres sold. There was also another tract for which he received \$3,000. Other life companies paid him in all \$6,500. The insured testified, however, that his income tax report shows a loss of \$1,000 in 1938.

In addition to share croppers, the policyholder employs day labor. Prior to his injury he was the first out on the farm in the morning and the last to leave at the end of the day. He made up his own payrolls, paid off his men, took his cotton samples to markets and sold his cotton. All the enterprises in which he was interested received his personal attention. He had no foreman.

#### Others Do the Work

Now someone else always gathers his cotton samples; the buyers come to him to purchase his cotton; his foreman makes up the payroll for labor and the hands are paid off at some store. He signs one check only for the total amount, having to forego attention to details. During this period he has not been known to have performed any kind of labor.

In affirming the judgment for the policyholder to recover disability benefits, the higher court states that insurance to compensate disability is not insurance upon one's business, but is a guaranty of continued personal fitness. The insurance contract is not discharged merely because the policyholder may be able to hire a substitute or proxy, the Arkansas supreme court held.

#### Penn Mutual Schools

**PHILADELPHIA**—E. P. Huttlinger, agency secretary, and A. M. Hopkins and C. C. Cooper, agency assistants, are visiting Penn Mutual offices throughout the country holding agency training schools. The schools are six hours in length and are held over either one day or two day periods. Mr. Huttlinger makes preliminary remarks, followed by Mr. Hopkins and Mr. Cooper, who discuss various aspects of prospecting and closing. A new direct mail plan developed by the company to assist its agents is explained. Mr. Huttlinger stated that life insurance is a bulwark of democracy, and he points out to agents their part in preserving democratic ideals. When the individual loses his industry, independence, thrift, or self respect, democracy ceases, Mr. Huttlinger said.

## Group Continues to Prosper, Social Security Is Aid

Group business is continuing to prosper. Few changes in retirement programs now in effect are expected in face of the new amendments to the social security act which go into effect Jan. 1. As the social security taxes remain the same, employers are not considering revisions due to the cost.

The new provisions for dependents under the social security act do not affect group insurance much as most of the group benefits are paid on a lump sum basis, although there are provisions for instalment payments to beneficiaries if they are desired.

There is a growing recognition among employers that the average employee is under-insured and that even the social security provisions do not place him on any too strong a financial basis.

Most of the group retirement plans are not "any too rich," according to one group executive, so they can stand "sweetening up" by the social security provisions. Most of them really need the extra retirement income provided. Social security provisions are mainly for the lower income groups as the monthly income provided executives is not attractive enough to tempt them to retire and forego a substantial salary.

Group business is benefited by the social security provisions, inasmuch as the cost of retirement plans is now much less. In one particular case it would have taken \$10,000,000 to set up an adequate retirement program, so it was not adopted. With the social security provisions as a basis, a satisfactory retirement program can be set up for \$3,000,000, so the company is going ahead on that basis. In this regard the social security is in reality a subsidy to many retirement programs.

## War Risk Clauses O. K. in Michigan, with Limitations

**LANSING, MICH.**—Commissioner Emery is approving war risk riders for life policies so long as they conform with provisions set forth in an opinion prepared by John Panchuk, assistant attorney-general.

The opinion permits departmental approval of riders limiting liability in case of death from any cause during naval or military service and if due to such service, "without necessarily restricting the time of death to such period." The form might extend to certain forms of civilian service as well as in actual military units, including marine, air, medical and welfare units. The liability limitation would not be restricted to the two-year statutory contestable period now embodied in all Michigan policies.

The rider could not be attached to existing policies, in Mr. Panchuk's opinion, unless consent of the insured were obtained.

#### Canadian Sales Continue Increase

**MONTREAL**—War conditions continue to accelerate the sale of life insurance in Canada. Figures released by the Canadian Life Officers Association show October new ordinary sales of \$34,677,000, an increase of 7.12 percent.

The increase is particularly significant as new policies are written with a war clause which provides for higher premiums for policyholders who enlist for active service.

**R. H. Roesner**, 45, manager of the special personnel division of the Union Central Life, Cincinnati, died from the effects of a heart attack. He had been with the company 19 years.

**C. T. Davies**, million dollar policyholder, tells "Why I Bought Life Insurance" in 16-page booklet. \$8 for \$1. Order from National Underwriter.

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**WALTER W. HEAD, President**

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## EDITORIAL COMMENT

### Chairman O'Mahoney's Reassurance

WELCOME as it is, the statement by Chairman O'MAHONEY of the TEMPORARY NATIONAL ECONOMIC COMMITTEE that "there isn't the slightest basis for the intimations appearing in certain insurance journals that the committee or any member of its staff is promoting any scheme for governmental competition with the insurance industry", is not so reassuring as it might be, even taking Senator O'MAHONEY'S words at their full face value. Without the slightest reflection on the Senator's sincerity, insurance men can hardly be blamed for continuing to eye with suspicion the entire monopoly inquiry into the insurance business. At this stage of the game, it would be natural for those interested in promoting government competition to keep their plans to themselves, letting Senator O'MAHONEY and others on the committee remain in the dark until the schemes had gained more momentum.

It is probably quite true that neither the TNEC or any member of its staff, which presumably includes the insurance staff of the SECURITIES & EXCHANGE COMMISSION which is presenting the material to the TNEC, is promoting any scheme for governmental competition. Undoubtedly everyone connected with the insurance study could truthfully deny that he was "promoting any scheme" for governmental competition. But in presenting to the TNEC—and to the press—a twisted, fantastic, unreal picture of what life insurance is and does, the SEC is unquestionably promoting something besides the "objective" study of insurance that was announced when the proceedings got under way.

Much of the evidence indicates that the SEC is promoting federal control of insurance. Other signs indicate some form of governmental competition and the testimony by E. C. BRONSON, assistant actuary SOCIAL SECURITY BOARD, who was called to give testimony on the cost of a nationwide \$250 funeral benefit, though the most concrete basis for this belief is by no means the only one. The constant effort to discredit the agency side of the

business, the emphasis given to savings bank life insurance, and the apparently studied effort to suppress anything favorable about life insurance must all be taken into account. Perhaps none of this activity could be designated as "promoting" governmental competition but it may well be laying the groundwork on which the specific scheme or schemes could be all too readily erected when the time is deemed ripe.

That Senator O'MAHONEY may be as much in the dark as the rest of us as to what these economic planners have in mind is evidenced by a passage in the letter in which he denies that anyone is promoting federal competition. He concluded his letter by saying: "Insurance is one of the most vital factors in our national economy and it is of the greatest importance that the Congress of the United States, the legislative body charged with the duty of perfecting the national interest, should be fully advised with respect to all phases of the industry."

If Senator O'MAHONEY is so trusting as to believe that his committee, in listening to a one-sided, usually hostile presentation, is being "fully advised" he may perhaps be pardoned for his readiness to believe that no member of the TNEC's staff has in mind any thought of putting the government into competition with the insurance business. Insurance men will hardly be so readily reassured.

Hearings on life insurance were scheduled to resume some time shortly. Would it not be appropriate, since Chairman O'MAHONEY has emphasized the advisability of having Congress "fully advised" about insurance, to permit a presentation of what has so far been suppressed, namely, the vast amount of good which insurance does, not the least of which is the wide spread of its benefits that has been made possible by the agency system? Such a move would go far to remove the suspicions of insurance men and to make the insurance investigation the objective study that it was advertised to be.

### More Effectiveness in Recruiting

UP AND DOWN the line there is far more sanity and intelligence being shown in life insurance agency recruiting. For instance, the CONNECTICUT MUTUAL has just announced a new recruiting concept which calls for fewer new agents and a more vigorous cultivation of those already employed together with proper

training for the fewer men put on the list. In his talk before the RESEARCH BUREAU-AGENCY OFFICERS meeting at the EDGEWATER BEACH HOTEL in Chicago, Manager JOHN MARSHALL HOLCOMBE announced there are 15 percent fewer agents than there were 10 years ago. We have gotten beyond the point

where it is felt in a hit or miss, rather perfunctory way we take on men, give them a rate book and set them out to conquer the world. Much more attention is being given to selecting men at the source. Probably after all one of the

greatest problems of the general agent or manager is recruiting. It is not possible at all times to pick a winner. However, certainly much more can be done to reduce the obvious failures in the agency field.

### Life Insurance Always Fundamental

M. A. LINTON, president of the PROVIDENT MUTUAL LIFE, who acted in an advisory capacity in bringing about amendments to the social security act, deserves great credit for what he succeeded in accomplishing in this direction. Mr. LINTON was very much dissatisfied with the act as originally drawn, which was crude and unscientific. It provided for lump settlements and in his opinion it was not geared to the mesh that was intended.

In his recent Chicago addresses, Mr. LINTON said that all that the social security act provided was what might be termed social insurance and it gave the very minimum benefits. It might be said that it furnishes only bare existence benefits. Agents naturally should be acquainted

with the provisions of the act and should interpret them intelligently to policyholders and prospects. So far as life insurance is concerned, it is the fundamental factor in the program that a man devises for the benefit of his dependents and his own old age. The social security benefits are supplementary. They can be fitted in but agents should not forget that life insurance should be the primary structure. The government does not go further than to provide minimum benefits or the most modest subsistence. Its function should go no further. The social security benefits can be made an adjunct to the life insurance program and naturally they must be taken into consideration in an intelligent working out of a policyholder's scheme. An agent should know the mechanics.

### PERSONAL SIDE OF THE BUSINESS

Commissioner JESS G. READ of Oklahoma has returned to his office after being confined to his home for several days with influenza. Reports from Mrs. Read, who underwent a major operation recently, are most favorable. She is returning home from the hospital this week.

Fred Free, top producing life and accident agent of the Travelers in the Des Moines branch, has found time to act as manager of the Des Moines Comets, professional football team. He says his insurance business is continuing at a fast clip, largely through the publicity he has received and new contacts made.

Jennie Sue Daniel, who has located in Cincinnati to do trade newspaper work, at least for the time being, has established an office at 514 Main street in that city. She had a desk in W. A. Earls agency until recently. She will do general trade newspaper work. She was formerly in New York City as editor of the "American Agency Bulletin."

Harry E. McClain, former Indiana insurance commissioner, who for over a year has been manager of the Pan-American Life with headquarters at Indianapolis, has been appointed executive secretary of the Indiana Association of Insurance Agents with headquarters at 708 Chamber of Commerce building. He is a former president of the National Association of Insurance Commissioners.

Emry C. Green, president Pilot Life, was guest speaker of the Sanford, N. C., Kiwanis Club, talking on economic conditions prevailing in the south.

Henry G. Lambert, 65, assistant manager claim inspection department at the home office of the Prudential, was tendered a dinner by his associates in rec-

ognition of his retirement after 28 years of service. Mr. Lambert, who is a resident of Belmar, N. J., is going to Florida with his wife until May.

Paul Dobson, Northwestern National Life, a member of the Million Dollar Round Table, has been named chairman of the membership drive being conducted in Minneapolis by the Round Table of Christians and Jews.

R. T. Shipley, general agent of the Penn Mutual in Oklahoma, has been at the Mayo clinic in Rochester for a checkup.

Mark S. Trueblood, Los Angeles, Pacific Coast inspector of agencies for the Union Central Life, is on a short business trip to the home office in Cincinnati.

Emerson E. Cooper, assistant superintendent of agencies Equitable Life of Iowa, is visiting San Francisco and will spend several weeks in the northern California territory on a business survey.

The will of Walker Buckner, executive vice-president New York Life, who died Nov. 12, leaves his residuary estate, of "undetermined value," to his widow, Mrs. Eva O. Buckner. Specific bequests included \$2,000 each to S. S. Roemer and to Mabel S. Roemer, Mr. Buckner's secretary, both of Sparkill, N. Y.; \$3,000 to the American and Foreign Christian Union; \$3,000 to the Broadway Tabernacle Society; and \$2,000 to the Y.M.C.A.

Frank O. Dean, 51, for 14 years Maine state manager of the Travelers, died in Portland, Me.

W. Brodnax, president Universal Life & Accident of Dallas, was compelled to observe both Thanksgiving days this year, on account of the "regular" holiday being nearest his birthday. He was born Thanksgiving day, Nov. 28, 1870.

### THE NATIONAL UNDERWRITER

Published by THE NATIONAL UNDERWRITER CO., Chicago, Cincinnati, New York. PUBLICATION OFFICE, 175 W. Jackson Blvd., CHICAGO. Telephone Wabash 2764

EDITORIAL DEPT.: C. M. Cartwright, Managing Editor. Levering Cartwright, Assistant Managing Editor. News Editors: F. A. Post, C. D. Spencer. Associate Editors: D. R. Schilling, J. C. O'Connor, President and Secretary.

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NEW YORK OFFICE—123 William St., Tel. Beckman 3-3958. Editorial Dept.—G. A. Watson and R. B. Mitchell, Associate Editors. Business Dept.—N. V. Paul, Vice-Pres.; J. T. Curtin and E. H. Fredrikson, Resident Managers.

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BOSTON OFFICE—Room 522, 25 Huntington Ave., Telephone KENmore 5237. R. E. Richman, Vice-President.

LIFE INSURANCE EDITION  
PUBLISHED EVERY FRIDAY

Bvid., CHICAGO. Telephone Wabash 2764

Wohlgemuth, President, H. J. Burridge, Vice-Associate Managers: W. A. Scanlon, G. C.

PHILADELPHIA OFFICE—1127-123 S. Broad Street. Telephone Pennypacker 2706. W. J. Smyth, Resident Manager.

SAN FRANCISCO OFFICE—507-8-9 Flatiron Bldg., Tel. EXbrook 3054. F. W. Bland, Res. Mgr.; Miss A. V. Bowyer, Pacific Coast Editor.

Subscription Price \$3.00 a year in United States and Canada. Single Copies, 15 cents. In Combination with The National Underwriter Fire and Casualty, \$3.50 a year. Entered as Second-class Matter June 9, 1900, at Post Office at Chicago, Ill., Under Act, March 3, 1879.



## NEWS OF THE COMPANIES

### Columbian National Names Sitgreaves Chief Underwriter

BOSTON—William L. Sitgreaves, since 1923 with Aetna Life in an underwriting capacity, has been appointed chief underwriter of Columbian National Life. He succeeds N. R. Kinney, chief underwriter and assistant secretary, who died three weeks ago following a heart attack.

Mr. Sitgreaves was graduated from Wesleyan in 1922. His first work in the Aetna was in the group division. After going through the group school he became one of its instructors and a group underwriter. After a year and a half in group he was transferred to the ordinary underwriting department, where he remained for 8½ years. Then K. A. Luther left the agency vice-presidency to join General Agent R. H. Keffer to form the Luther-Keffer agency in New York City. Mr. Sitgreaves was made manager of the agency's underwriting division.

When the office was divided into two separate agencies, Mr. Sitgreaves continued with Mr. Luther. Mr. Sitgreaves was one of the early members of the Home Office Life Underwriters Association and at one of its first meetings read a paper on the underwriting of reinstatement applications.

#### K. A. LUTHER GIVES LUNCHEON

NEW YORK—General Agent K. A. Luther of Aetna Life gave a farewell luncheon for Mr. Sitgreaves. In addition to Mr. Luther speakers included W. H. Dallas, assistant vice-president Aetna Life; Dr. E. B. Wilson, Aetna's medical director for New York City; Dr. H. W. Crawford, medical director Columbian National, and R. A. Bernard, supervisor Luther agency.

#### President Becker Is Honored

SAN ANTONIO—On President Chas. E. Becker's birthday agents of the Great American Life showed their appreciation by sending in 100 percent more business than had been received on the company's previous best day. October was the best month of the current year and November in the first 20 days exceeded October.

Assets of the Great American Life show an increase of \$500,000 for the year, capital and surplus exceeding \$1,150,000.

A drive is being staged on a Christ-

## DEATHS

**W. P. Lynch**, assistant attorney for the Nebraska insurance department, died at his home in Omaha. He represented the department in matters connected with legal supervision of companies domiciled in Omaha.

**A. C. Cornelius**, district manager Yeomen Mutual Life, died at Red Bluff, Cal. He was formerly at Ashland, Ore.

**Lloyd J. Gordon**, 46, general agent of the Aetna Life at Memphis, Tenn., died there following an illness of three months. A native of New Orleans and a graduate of Louisiana State University, he was an agent of the Aetna in New Orleans for several years before his transfer to Memphis. Burial was in New Orleans.

**R. W. Metcalfe**, 51, superintendent of the Prudential in Kansas City, died at Phoenix, Ariz., where he had gone because of his health. He had been with the Prudential 25 years.

**G. W. Boernig, Jr.**, special representative of the Connecticut Mutual Life in Indianapolis, died from a heart attack while he was preparing to attend the Indiana-Purdue football game at Bloomington.

mas package policy, an ordinary life policy for \$1,000 providing for the payment of \$100 each Christmas to the beneficiary for 12 years.

The agency convention will be held in San Antonio, Dec. 27. A group of top producers will go to New Orleans, Dec. 29, to attend the Sugar Bowl football game.

### T. F. Bourke to Join American Standard

Thomas F. Bourke, vice-president in charge of agencies of the Volunteer State Life, has resigned to become vice-



THOMAS F. BOURKE

president and agency director of the American Standard Life of Washington, D. C. He is taking a few days vacation in Florida before assuming his duties.

Mr. Bourke went to the Volunteer State Life in 1933 as superintendent of agencies. In 1938 he succeeded A. V. Mozingo as agency vice-president. Before going to Chattanooga he was agency vice-president of Northwestern Life of Nebraska. He has spent 25 years in the insurance business as agent, manager and company executive.

#### Receivership Hearing Set Dec. 15

AUSTIN, TEX.—A hearing in Travis county district court will be held Dec. 15 on a receivership suit filed by Attorney-general Mann against Teachers Annuity Life, San Antonio. The court granted Mr. Mann's request for a temporary order restraining the company from operating and restraining the sale of its stock.

The state alleges that the charter of the company is void as the \$100,000 minimum capital has not been paid.

#### O. K. Volunteer State Increase

The stockholders of the Volunteer State Life approved a recommendation of the directors to increase the capital from \$500,000 to \$625,000 divided into 62,500 shares of \$10 par value.

The directors authorized sale of the new stock at \$20 per share to a group of stockholders who had previously agreed to buy the stock at that price. Of the \$250,000 total, \$125,000 will be added to capital and \$125,000 to surplus.

#### Act Against Indiana Concern

Complaint has been filed at South Bend, Ind., against five trustees of the American Benevolent Association by C. R. Montgomery, deputy attorney general of Indiana, asking a temporary injunction, the charge being that the concern is selling contracts providing protection of members, without a state license. An

## The UNION CENTRAL BULLETIN BOARD

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A policyholder seldom borrows on his life insurance unless he is in serious need of money — and then he wants it in a hurry. Our efficient Policy Loan Department is keenly aware of this, and AIR-MAILS most policy loan checks within 24 hours after the request comes in. Even in rush periods, rarely more than 48 hours are required. The 25,000 Union Central policyholders who borrow \$10,000,000 yearly on their policies appreciate this fast service.

98% IN 48 HRS.

initiation fee of \$5 is charged and \$1 per month in dues is paid thereafter. It is stated that no reserve is maintained and that claim payments are limited each month to the amount of receipts.

#### Receiver for Small Texas Company

AUSTIN, TEX.—The Guaranty Reserve Mutual Life, Dallas, has been placed in receivership by order of a Travis county court with Will G. Knox, liquidator of the insurance board, as receiver.

The insurance department in an examination as of Sept. 30 found \$4,023 assets and liabilities of \$18,356.

L. A. Boli, Jr., is president. He was formerly head of the National Savings Life of Wichita, Kan., which was re-insured in 1931. L. G. Boli is vice-president and secretary.

#### Rio Grande National New Quarters

DALLAS — The Rio Grande National Life has moved into its new home offices here, occupying all of the second floor of the nine-story building purchased early this year. The building has been changed from the Linz building to the Rio Grande National Life building.

**Send \$1 to National Underwriter for Social Security Slide Rule.**

## LIFE SALES MEETINGS

### Kentucky Home Has Agency Parley

LOUISVILLE—The annual agency convention of Kentucky Home Mutual Life was held here the first three days of this week. The meeting was called to order Monday morning by Vice-President L. C. Cortright. President Ellsworth Regenstein gave the opening address.

The first speaker Monday afternoon was Paul R. Sawyer, manager of the new accident and health department of Kentucky Home. He told something of the plans and was followed intently. Other speakers at that session were Supervisors R. P. Griden and Frank A. Miller, Chief Underwriter Paul W. Briney, Dr. W. T. McKinney, medical director, Auditor R. A. Pearson and D. C. Trent, manager service division.

At the business sessions Tuesday there was a school of life insurance. Secretary James B. Williams presided. The school was concluded Wednesday and the convention ended that evening

with the banquet. Mr. Regenstein served as toastmaster and the speaker of the evening was Judge Charles I. Dawson, chairman of the board and general counsel.

### Northwestern Mutual Holds Eastern Regional Jan. 4-5

Among the speakers at the 25th eastern regional meeting of the Northwestern Mutual Life at the Hotel Waldorf-Astoria, New York, Jan. 4-5, will be Dr. P. L. Rohrer of Chicago, clinical psychologist, author, speaker and life insurance consultant, who will discuss success qualities of life insurance salesmen, and Dr. Laurence Ackerman of Newark University, formerly of the Wharton School of Finance of the University of Pennsylvania. Dr. Ackerman, who is conducting a special school on business insurance in the C. L. McMillen agency in New York City, will discuss "A New Approach to an Old Problem."

L. J. Evans, assistant director of agencies, is cooperating with the eastern committee headed by Russell Law, Baltimore, general chairman, and A. J. Johannsen, Brooklyn, arrangements chairman.

### Mardi Gras Convention of Pan-American Life

"A Mardi Gras in New Orleans" convention, Feb. 25-28, 1941, has been announced to its domestic field organization by the Pan-American Life, through a multi-colored and profusely illustrated broadside depicting Mardi Gras and old French quarter scenes.

The Pan-American's convention rules provide for several qualification classifications, ranging from part-expense offers to a top of double qualification plus two extra guests, and are based upon first year premiums paid during the period from Dec. 1, 1939, through Jan. 31, 1941.

Although the Pan-American has held national conventions in New Orleans on previous occasions, the 1941 meeting will be the first ever planned to include Mardi Gras day. Over 200 field men, their wives and guests are expected to attend.

### Ohio National Life to Hold Regional Meet in Chicago

LANSING, MICH.—N. E. Glassbrook, manager central division for the Ohio National Life, has announced preliminary plans for a regional meeting of leading agents at the Edgewater Beach hotel, Chicago, Dec. 15-16, at which 14 leading producers of the division for October will be honored. Plans are to be laid, also, for the 1940 program. Approximately 60 agents and company officials will attend.

This division, Mr. Glassbrook said, made an exceptional record in October in stressing persistency of business. Of the producing force, 38 percent had an "A" persistency rating; 26 percent had a "B" rating; 32 percent had a "C" rating and only 4 percent had a "D" rating.

Program details for the Chicago meeting have not been completed but it is expected that several home office representatives will be present. Mr. Glassbrook will preside and W. C. Evans, supervisor of the division, will have an active part in handling of arrangements.

### Bankers of Iowa Meetings

President G. S. Nollen of the Bankers Life of Iowa, assisted by W. F. Winterble, director of agencies, conducted agency meetings last week in Kansas City, Wichita, Oklahoma City and El Paso. Vice-president W. W. Jaeger, assisted by M. E. Lewis, superintendent of agencies, conducted meetings in Har-

risburg, Washington, D. C., Philadelphia, New York City and Cleveland.

Thus far 35 of the company's agencies have produced \$4,762,000 of new business in 30-day campaigns in honor of Messrs. Nollen and Jaeger.

### To Meet in Florida Jan. 22-24

The Master Producers Club of Bankers National Life will hold its convention at Hollywood Beach Hotel, Hollywood, Fla., Jan. 22-24, attendance of more than 50 field representatives being expected. Many wives will accompany their husbands. Ralph R. Lounsbury, president, and William J. Sieger, vice-president and superintendent of agencies of Bankers National, will accompany the group.

### Change in Bankers Life School

Dates for the Premier club school of the Bankers Life of Iowa to be held at Palm Beach, Fla., have been advanced one week to Jan. 11-13. It has been found necessary also to make a change in plans for the new home office building dedication and housewarming in Des Moines, which have been postponed until the middle of March.

## COAST

### Dern in Salt Lake City

The Lincoln National Life held a conference for Utah and Idaho in Salt Lake City, with more than 50 attending. Vice-president A. L. Dern was the principal speaker.

Thorpe B. Isaacson, Salt Lake City general agent, was in charge.

### New California License Rules

LOS ANGELES — Under the new amendments to the insurance code, Commissioner Caminetti is requiring a joint life agent's license for corporations and partnerships, and each employee of the corporation. The individual members, the corporation and the insurer are required to submit applications for the joint license.

### Schulte in Temporary Charge

Severin Schulte, assistant superintendent of agents, Bankers Life of Iowa, has arrived in San Francisco to take temporary charge of its office there, following the death of A. F. Smith, manager.

### Coast Insurance Man Weds

One of the largest society weddings of the year at Los Angeles, which also was largely an insurance wedding, took place at the All-Saints Episcopal Church, Beverly Hills, when Miss Elizabeth Cannell became the bride of Richard M. Baker. Mr. Baker had as his best man his father, D. M. Baker, Jr., and among the ushers were T. G. and W. L. Murrell. Both Mr. Baker, Jr., and Mr. Baker, Sr., are associated with the Murrell brothers in the general agency of the Mutual Benefit Life. The newlyweds are honeymooning in Oregon.

### Push Salary Savings Program

A. C. Bowser, director of salary savings, and F. S. Brynn, agency supervisor of National Life of Vermont, have returned from an extended general agency trip, introducing the salary savings program. Meetings were held in Cleveland, Atlanta, Philadelphia, New York, Boston, St. Louis, Detroit and Baltimore. The general agents made a special selection of field men to attend the meeting.

William B. King, special agent Mutual Benefit Life, St. Louis, spoke at a luncheon meeting of the sales managers conference of the St. Louis Chamber of Commerce.

next—  
1/2 billion \*

in force October 1st : \$481,451,656  
OCCIDENTAL LIFE • LOS ANGELES



Horace Greeley was right

## AS SEEN FROM CHICAGO

### AGENTS TO GET CASH AWARDS

Agents who submit the greatest number of entries in the "Be a Reporter—Win a Cash Prize" contest will receive prizes from the Chicago Association of Life Underwriters. First prize is two years' dues in the association, which is equivalent to \$24, second prize one year's dues, third prize six months' dues.

National association prizes to winners of the contest for policyholders, amounting to \$4,500, will be supplemented by \$150 in local prizes given by the Chicago association. First local prize is \$50, second \$25, third \$15, fourth \$10 and 10 prizes of \$5 each. Chairman of the committee is F. J. Budinger, general agent Franklin Life.

### OFFICE STAFF AIDS AGENTS

How an alert office staff can dig up leads for their salesmen to follow up was adequately demonstrated at the Chicago Connecticut General agency headed by Norman Allison.

In the six weeks period just ended the 12 girls in the office, headed by Miss E. N. Elmer, cashier, referred 24 leads to agents which were productive of approximately \$1,100 in premiums. Of this amount 60 percent is either on binder or paid for.

As a result the girls are being given a dinner-theater party because of their lead consciousness.

### GROUP CLUB TO CONTINUE

Continuation of the Group Supervisors Association of Chicago has been assured by the success of the first two meetings, according to E. S. Tank, Travellers, chairman.

Plans are now under way to build up membership. A meeting is scheduled for Jan. 9 at the La Salle Hotel to be followed by spring and summer meetings.

### BUSINESS INSURANCE REVIVAL

A considerable number of large business insurance cases is in the mill at Chicago for the first time since the depression hit in 1929 and life companies began limiting acceptance of jumbo cases. The largest is reported to be a million dollar case, which is very unusual for these times, life men on La Salle street say. Two cases, each for \$200,000, a \$125,000 and several \$100,000 cases are going through the works. Business insurance specialists say that for the first time in a decade business seems to have become fairly stable. They also see as very largely responsible for the revival a lessening of the fear of business men and the public of new deal

### PUBLIC NOTICE

Notice is hereby given that on Monday, the 13th day of November, 1939, an order was entered by the Circuit Court of Morgan County, Illinois, in the cause entitled, "People of the State of Illinois, et al. vs. The American Bankers Insurance Company, in Chancery No. 16948," which provided among other things that Ernest Palmer, Director of Insurance, as Liquidator of The American Bankers Insurance Company, proceed forthwith to solicit proposals in the form of contracts for the reinsurance of the business of The American Bankers Insurance Company, and that all such proposals submitted shall be filed with the Special Deputy Liquidator, F. J. Bartsch, at his office at The American Bankers Insurance Company, Jacksonville, Illinois, on or before 12 o'clock noon, December 18, 1939.

ERNEST PALMER, DIRECTOR OF INSURANCE AS LIQUIDATOR OF THE AMERICAN BANKERS INSURANCE COMPANY.

economic experiments, due to the strong conservative tendency manifested in Congress as a result of the last general election.

### AGENTS HONOR HOUZE DEC. 12

W. M. Houze, Chicago general agent John Hancock Mutual, will be honored by his staff at a dinner Dec. 12 on his 55th birthday, and starting his 37th year with John Hancock. A production drive is being conducted Nov. 27-Dec. 12 to hand him a record volume at the function. A number of home office officials are expected to attend and speak. Many general agents of John Hancock in the midwest also will be present.

### PARTY AT NAVAL ARMORY

The general agents and managers party of the Life Supervisors of Chicago will be held on Dec. 7 at 6:30 p. m. in the U. S. Naval Armory on the lake at the north end of Grant Park. There will be dinner and entertainment. Presiding will be E. J. Grandson, retiring head, who will introduce those general agents and managers who attend as guests.

The entertainment committee is composed of Ted Hewitt, Connecticut Mutual, chairman; George Robson, Connecticut General; Paul Williams, Aetna Life, and Carl Duvol, Great West.

The naval armory, which was the scene of last year's party, was secured through the courtesy of William Siegmund, Connecticut Mutual.

### ZIMMERMAN SPEAKS TO JAMES & CO.

Fred S. James & Co., Chicago, is starting a new lecture series this week with C. J. Zimmerman, Chicago general agent Connecticut Mutual Life and president of the National Association of Life Underwriters, as speaker. The theme of the meetings this year is "Sales Ideas that Make Money." Outside speakers will be secured for the sessions which will be held about every two weeks.

### MCKEOUGH AGENTS SET RECORDS

Henry Royer of the Chicago agency of the Ohio National Life led the company in number of applications during President's month with 31 to his credit. He now ranks fourth in volume and third in applications. George Severance of the Chicago office made his best record in October with 18 cases for \$159,893, or an average of \$8,883. He shattered all previous records of the central division.

The Chicago agency under A. E. McKeough has completed its first year and is increasing its space 75 percent. It has eight full time men and ranks 10th in the company for October.

### HEIFETZ-HASTIE AGENCIES MEET

Louis Behr, millionaire producer of the Equitable Society at Chicago and originator of the Behr prospecting system and work sheets published by the "Diamond Life Bulletins," will talk on programming and prospecting at the annual sales meeting of the Samuel Heifetz and J. R. Hastie agencies of Mutual Life of New York, which will be held in Chicago all day Friday winding up at a dinner. C. M. Letton, Hastie agency organizer, will be morning chairman and D. O. McLellan, Heifetz agency organizer, afternoon chairman. Manager Heifetz will extend a welcome and Manager Hastie will give the closing remarks in the afternoon. The program includes a number of talks by members of the agency, on sales opportunities created by the social security act, importance of planned prospecting, the Mutual Life sales training course and mail-and-call system, and minimizing the cost of inheritance. E. H. Miller, supervising assistant Heifetz agency, will discuss pre-approach and the approach. W. F. Dineen, former millionaire producer, will talk on business insurance. Jules Hexton, agent in the

### Great Musical Talent in Sam Lustgarten's Family

Unusual musical talent is found in the family of Samuel Lustgarten, agency manager Equitable Society, Chicago. Mr. Lustgarten, himself a skilled violinist, has two sons who have been members of the N. B. C. orchestra, conducted by Arturo Toscanini, ever since it was formed three years ago.

Alfred Lustgarten, 26 years of age, is a concert violinist who toured Europe in 1938, was soloist over Columbia broadcasting programs in 1936-7, and gave a concert recently in Chicago. He is first violin with Toscanini. Alfred started studying with his father at four, made his first public appearance at six in Kimball Hall, Chicago, and at 15 was awarded a fellowship in violin at Curtis Institute, Philadelphia, and the Juilliard Musical Foundation, selecting the latter. Later he was awarded a fellowship in conducting and composing.

Edgar started studying the cello with his father at age six and appeared as

soloist with the Chicago Symphony Orchestra at 15. Dr. Frederick Stock, the orchestra conductor, told the audience he was destined to become the world's greatest cellist. He studied in Switzerland with Emanuel Feuerman and was soloist with Toscanini last year.

### Lustgarten Skilled Performer

Samuel Lustgarten studied violin in Berlin in 1907-11, being first violin in 1911 with the Berlin Philharmonic orchestra, one of the only two Americans ever to do so. Returning to Chicago he was offered a small salary with Chicago Symphony Orchestra, but instead began managing orchestras and leading one. He conducted his orchestra in daily performances at the Fair department store during luncheon and the States restaurant at Chicago in the evening, then turned to life insurance on a part time basis in 1917. Mrs. Lustgarten sings, and Ruth, a daughter, is a pianist.

Alfred Lustgarten soon is to be married to Mura Klatzko, who is in charge of the interior decoration department of Arnold Constable & Co. at New York.

The Chicago Claim Association will hold its Christmas party Dec. 20 at the Sportsmen's Club, 360 North Michigan.

Send \$1 for Social Security slide rule to National Underwriter.

### We Need

*Three Good Men  
for . . . . .  
Open Territories*

- MASON CITY, IOWA
- CLINTON, IOWA
- BURLINGTON, IOWA

We prefer men between ages of 28 and 44 who have good records of production.

. . . If you can qualify for our proven "BUILDERS OF MEN" program write us.

*A. B. OLSON, Agency Vice-President*

*[Answers held in strict confidence]*

## GUARANTEE MUTUAL LIFE COMPANY

OMAHA, NEBRASKA

ESTABLISHED 1901

Licensed in Twenty-two States

## FOR A WIDER MARKET

The Income for Life idea, originated by the Fidelity in 1902, no longer needs to be sold to the average man or woman. But not every man or woman can buy it on the ten dollar basis. So Fidelity has developed a new and additional Income for Life plan providing an income of \$5 monthly with \$1,000 of protection, and having maturities at 55, 60 and 65 the same as its regular \$10 Income for Life plan.

The Fidelity kit is well filled with tools. All are designed to shape the protection of the buyer more easily to his advantage and the agent's profit.

## The FIDELITY MUTUAL LIFE INSURANCE COMPANY PHILADELPHIA

WALTER LEMAR TALBOT, President



**Throughout the past 88 years the Massachusetts Mutual has earned a reputation for able, progressive management, and sympathetic understanding of its policyholders' problems. The company has ever been alert to the modern trend and has kept its judgment flexible, constantly adjusting itself to meet new problems of protection and conservation.**

**Massachusetts Mutual**  
LIFE INSURANCE COMPANY  
Springfield, Massachusetts  
Bertrand J. Perry, President

## NEWS OF LIFE ASSOCIATIONS

### Ask That Portland Managers Eliminate Part-Time Agents

PORLAND, ORE.—The Life Underwriters Association of Portland has called on general agents and managers to eliminate part-time agents in this city. Jan. 1 was set as the deadline. The demand was made in a resolution adopted unanimously at a special meeting. Officials said the measure was supported by every manager present.

Action on a resolution previously proposed, requesting the insurance commissioner to revoke the licenses of part-time agents operating in Portland, was postponed until the January meeting. It will be acted upon, officials indicated, only in the event the desired action is not forthcoming from general agents and managers.

Copies of the resolution have been sent to every general agent and manager in the state, with an accompanying letter by Stuart R. Strong, president Portland association, which says, in part:

"The managers and general agents should accept responsibility for control of local conditions. Successful agencies are built primarily upon the efforts of successful full-time agents. These agents look to you to protect their interests, for their interests are your interests. I am sure I speak for the underwriters when I say that they wish to cooperate with you, and I am equally sure you wish to cooperate with us, in doing whatever will improve life insurance service."

### Big Sales Congress Held in Mason City

MASON CITY, IA.—The government's social security plan and other activities in the field of insurance are no menace to the life underwriter, W. K. Niemann, Bankers Life, Des Moines, secretary-treasurer Iowa Association of Life Underwriters, told the 160 life men attending the north Iowa sales congress here, sponsored by the Mason City and Iowa associations.

"State insurance, bank insurance, baby bonds, and social security are merely a challenge to you agents to improve your service to the point where no government agency can compete with you," he added.

Speaking on "Why the Life Underwriters Association?" Mr. Niemann said membership in associations provides a means of keeping posted on developments in the educational field, in salesmanship and service to policyholders.

"The only flaw in insurance, as an institution, is the agent himself. It is still up to him to prove that the agency system cannot be successfully supplanted. Life insurance is not bought; it is sold. The state of Wisconsin has only \$350,000 in force after 20 years of offering it at cost.

"We must keep in mind our obligation to give service and remember that no government insurance plan can do what life insurance will do for the individual."

#### Men Motivated by Emotions

"Men are motivated to act by their emotions rather than by logic," said H. A. Hedges, general agent Equitable Life of Iowa, Kansas City, discussing "Sales Strategy." He advocated visual aids in salesmanship, asserting that insurance is bought out of "sacrifice dollars" and that selling it is merely a matter of method. "The agent's job is to find out what the buyer wants and then fit a plan to his needs."

"There is nothing particularly new in

selling and individual showmanship is needed to arouse interest," Karl E. Madden, general agent Penn Mutual, Davenport, said. "You must stimulate your prospect to work out his own suggestions."

"The agent's future is his prospect list," warned Lynn S. Broaddus, manager of Guardian Life, Chicago, pointing out that an agency is like a sole ownership in business, and requires the same business setup. "A successful business has a management, a secretarial department, a treasurer and a sales force," he explained, "and in an insurance agent these must be combined in one man if he is to be successful."

#### Meets Economic Problems

T. H. Tomlinson, assistant superintendent of agencies in charge of education of Bankers Life, Des Moines, spoke on "Philosophy of Life and Living." "Any discussion of insurance must follow solutions of economic problems. The economic problem which insurance meets is the guaranteeing of a continuation of income after earned income stops," he said.

R. L. Bailey, president of the Mason City district association, presided at the opening and Max Kissick, Mason City, vice-president of the state association, at the afternoon session.

In responding to the greeting by Lester Milligan of the local chamber of commerce, Phil Orchard, Sioux City, vice-president of the state association, invited those present to attend the next state meeting to be held in Sioux City June 7, 1940.

### Los Angeles Council Is Now in Full Swing

LOS ANGELES.—Attendance of 58 members of the newly organized council of the Life Underwriters Association of Los Angeles marked its first regular scheduled business meeting, with Chairman S. Y. Newcomb offering the members a clear picture of the workings of the association.

The whole program was devoted to giving the council members all aspects of association activities, offering them an opportunity to present their ideas and to suggest how often the meetings should be held and what kind of meetings they desired.

Speakers, who also answered questions by council members, were: President Leon A. Soper, Vice-president H. E. Belden, Treasurer C. E. Cleeton, Morris Siegel, H. S. Parsons, Louis Arzt and O'Brien Sawyers.

H. C. Chaney of Santa Ana spoke at the forum session on "Motivation—What It Is and What It Does."

#### Quiz Features St. Louis Meeting

ST. LOUIS.—A "Professor Quiz" insurance session was held by the Life Underwriters Association of St. Louis this week.

"Professor" George Means, Metropolitan manager, put two teams of competitors through their paces, asking them various questions. Each team included a general agent, a C. L. U., a weekly premium solicitor, a special agent on ordinary and a supervisor. Members of the teams were Irven Barker, Connecticut Mutual Life; Albert Cox, Massachusetts Mutual Life; John Connolly, Mutual Benefit Life; E. L. Knetzker, Aetna Life; Walter Payne, Prudential; Wolf Sawyer, John Hancock Mutual Life; Lawrence Stern, Penn Mutual Life; Felix Tugger, Metropolitan Life, and W. H. Van Sickler, State Mutual Life.

#### Harris Predicts Great Progress

RICHMOND, VA.—All conditions are present for a great forward movement in life insurance, George H. Harris, public relations officer Sun Life of Canada, declared at the luncheon-meeting of the Richmond Association of Life Un-

derwriters. He also spoke before the Norfolk association the previous day. Mr. Harris said the social security act gives impetus to life insurance sales with its acknowledgment of the value of life. He urged agents to keep the social aspects and importance of life insurance in mind in selling. The greatest growth in life insurance occurred when the government lifted the public's conception of life values by placing a value of \$10,000 on a man's life in providing war risk insurance.

**Lincoln, Neb.**—C. Petrus Peterson, general counsel Bankers Life of Nebraska, discussed the amendments to the social security act and their effect upon life insurance. He does not regard this extension of the law as particularly menacing to the business unless it proves to be an entering wedge that might lead later to an attempt to fill in the gaps left.

**Muncie, Ind.**—A new local association was launched here at an organization dinner which was attended by 90 life men. There were good-will delegations from Indianapolis, Fort Wayne, South Bend, Marion and Shelbyville. Sam Gregory, Penn Mutual, Fort Wayne, director Indiana association, was the sponsoring official. Fifty-five enrolled as charter members. H. L. Rogers, manager Equitable Society, Indianapolis, and president Indiana association, presented the charter. Also representing the state association were F. P. Huston, secretary, and Herbert Luckey, chairman legislation committee. The National association was represented by Harry T. Wright, Equitable Society, Chicago, vice-president, who addressed the meeting.

Officers elected to serve to June 30 are Everett Godwin, Mutual Life of New York, president; O. D. Smith, Equitable Society, vice-president; A. G. Martin, manager Metropolitan, secretary. This is the 14th local association affiliated with the Indiana association. It is expected that several additional Indiana local associations will receive charters in the early future.

**Denver**—R. H. Walker, head of the legal department of Colorado Life, former associate justice of the supreme court of Colorado, and past president of the Denver Bar Association, spoke on cooperation between the attorney and the underwriter.

He reviewed the part that the underwriter and the attorney should each play in rendering a greater service to his clients. He stressed the need for a closer and more friendly attitude between members of the two professions.

**Kansas City**—Adam Rosenthal, production manager Reliance Life, St. Louis, will discuss "Humanizing Settlement Options," Dec. 1. Past presidents of the association, which is one of the oldest in the United States, will be honored.

**Minneapolis**—"When you start to close a sale, keep going on it until it is closed. Use motivation. Appeal to the emotions of your prospect, for emotions are always at work at the close of a sale." This advice was given by Andrew Dygert, Northwestern Mutual Life.

"You may make all other steps perfectly but if you fumble the close, you fail," said Mr. Dygert. "Cooperate with your prospect by helping him to buy rather than expect him to cooperate to help you make a sale. It is more natural to want to buy life insurance than to refuse to do so. Keep your prospect's eye funnelled down the course to the main objective, which is to buy your product."

In addition, Ellis Sherman, Penn Mutual Life; M. C. Laughman, Berkshire; Ray Johnson, Connecticut General and Cameron Hurst, New York Life, spoke on public relations activities of the association.

**Chattanooga, Tenn.**—H. W. White, Knoxville, president of the state association, pointed out the need for a year-round program of life insurance advertising. He discussed the stand of the National association against "so-called and self-labelled expert advisers who seek to tear down life insurance estates to fatten themselves with fees for such advice." Terry Archer, president, announced the selection of W. H. Odom, general agent Phoenix Mutual, as national committeeman.

**Peoria, Ill.**—G. H. Harris, Montreal, public relations officer Sun Life of Canada, spoke Thursday. Nearly 100 attended.

**Winston-Salem, N. C.**—The speakers at the meeting of the North Carolina State Association here, Dec. 22, will be R. M. Hanes, president of the Wachovia Bank I

### British Head Office Now Located in Rural Rectory

**TORONTO**—The British head office of the Confederation Life is now operating from a rectory at Stratfieldseye, near Reading. When the Confederation Life was casting around for means of protecting its records and providing war shelter for its employees, the rector, who is a policyholder, offered his rectory as an office and living accommodations. Although the location is a rural area an adequate food supply was secured for the staff. Important records are now located in the rectory but the agency department continues to operate in London. An air raid shelter has been erected at the rectory and plans for making the staff self-sustaining by raising its own food supply have been effected.

& Trust Co. of Winston-Salem, and president of the American Bankers Association, and C. J. Zimmerman of Chicago, president National Association of Life Underwriters.

D. Edmunds of Winston-Salem is president of the state association. B. T. Woodall of Winston-Salem is chairman of arrangements for the meeting.

**St. Paul**—Wills and their relation to life insurance were discussed by R. J. Farley, St. Paul attorney.

He said making of a will should be tied up with life insurance contracts, for a life insurance fund is one of the easiest and surest ways of providing a fund to take care of estate contingencies.

"You life insurance men should not be the least hesitant about asking a prospect about his estate problems, for often you can be of distinct service to him in arranging his affairs," Mr. Farley added.

Herman Rampmeier, national councilor, reported on steps being taken by the National association to counteract the threat of federal invasion of the insurance business.

**Minnesota**—It is likely the next regional "booster meeting" will be held at Mankato early in December. The recent meeting at Rochester was such a success that plans are being made to hold several others.

**Buffalo**—The association, through President A. L. Beck, issued a public statement in the local press supporting the stand taken by Holgar J. Johnson, president Institute of Life Insurance, regarding Senator Wagner's proposal for government annuities.

Cyrus Falconer, agency superintendent New England Mutual, J. G. Anwyl, manager Phoenix Mutual, and H. D. Farber, general agent Security Mutual, spoke at the training school.

**Greensboro, N. C.**—W. H. Andrews, Jr., national trustee, reviewed the convention of the National association in St. Louis, Mo. He stressed the importance of participation by all life men in local association work.

W. J. Whedbee, secretary of the Greensboro association, outlined its financial position.

**Wisconsin, Wis.**—Alvin Moser, Milwaukee, president of the Wisconsin association, spoke following a dinner. Highights of the national convention were given by C. K. Gustafson.

**Toronto**—President G. E. Farrer, Canada Life, told of the great loss to life insurance by the recent death of Thomas Bradshaw, president North American Life.

**Topeka, Kan.**—Members of the Shawnee County Bar Association were guests. C. Petrus Peterson, general counsel Bankers Life of Nebraska, spoke on "Security, Social and Otherwise."

### Boston Actuaries Plan Discussions

**BOSTON**—The Actuaries Club of Boston at its Dec. 8 meeting will discuss non-cancellable accident and sickness reserves; the "Arnold" system of compensating agents; pensions for life insurance employees; dividend prospects, and SEC sales questionnaire.

Send for sample copy of *Accident & Health Review*, 175 W. Jackson Blvd., Chicago.



## Our Christmas Wish— for You and Yours

The white snows of another Christmas drift softly over a saddened world—a world containing strife and bloodshed for a portion of its people—a world where it would seem the beautiful principles of kindness, charity, "peace on earth, good will toward men" are forever buried.

Are they? The answer comes back—No! Not so long as the peoples of our continent can see the beautiful protection of Life Insurance shelter its people through the sunset years, a protecting arm to guard the memory of a love that was wise, a friendly hand to lead little children. So long as Life Insurance exists, His teachings—kindness, charity, "peace on earth, good will toward men"—are ever ours.

May we wish for you and yours, this Christmas tide, the contentment of a happy life in a country whose principles are founded on the teachings of the Christ Child.

## PEOPLES LIFE INSURANCE CO.

*"The Friendly Company"*

FRANKFORT

INDIANA

## New HIGHS

### for PROVIDENT

- Life Insurance in Force by the end of October touched an all time high, totaling \$130,848,944.
- Gain in Life Insurance in force by the end of October, \$11,920,898.

(Gained in first 10 months of 1939)

## PROVIDENT Life and Accident Insurance Company

Chattanooga—Since 1887—Tennessee

## Our New ARROW of GOLD POLICY Provides—

- 1—Low cost protection at less than term rates.
- 2—Selection of any renewal period (not less than five).
- 3—Renewal privileges any number of times until age 60.
- 4—Final renewal to age 70 (selection period ends at age 60).
- 5—Conversion privileges any time until age 70.

A liberal, flexible, low cost contract. Extraordinary first year commissions and renewals.

### Illinois Bankers Life Assurance Co. MONMOUTH, ILLINOIS

Write: Karl B. Korrady, Vice President

Exceptional General Agency contracts in the states of Illinois, Iowa, Indiana, Ohio, Missouri and Kansas

LIFE • ACCIDENT • HEALTH

### THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA NEW YORK CITY



A MUTUAL COMPANY  
ESTABLISHED 1860

## NEWS ABOUT LIFE POLICIES

By JOHN H. RADER

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc., Supplementing the "Unique Manual-Digest" and "Little Gem." Published Annually in May and March respectively. PRICE, \$5.00 and \$2.50 respectively.

### Home Life Making Dividend Adjustment

NEW YORK—The Home Life of New York has adopted a new dividend scale. It is anticipated that the board at its January meeting will declare dividends on this new scale for the entire year 1940. To facilitate the preparation of notices with dividend credits for premiums due in the early part of the year, the board has already approved the payment of dividends due in the first quarter of next year on the new basis.

The change is occasioned principally by the continued downward trend of interest earnings and the interest factor in the new dividend scale is based on 3 1/4 percent. Adjustments have also been made in the factors pertaining to expense and mortality so as to reflect trends in the experience. In many instances these adjustments are an offset against the change in the interest factor since the distribution from these factors on most plans will be greater at some ages and durations and less at others. The principal changes will be on the endowment plans. The interest return on funds left on deposit with the company will be 3 1/4 percent.

In commenting on the new dividend scale, E. I. Low, chairman of the board, said:

"It has been the policy of this company to keep the various factors in the dividend distribution in line with actual experience once it has been demonstrated that that experience represents something more than a temporary fluctuation. As you know, during the last several years there has been a continuous reduction in interest rates. The trend downward has continued during the past year. Sound company policy seems to demand that we recognize this continuing trend by making this reduction in the interest factor which is approximately the same as the reduction in our actual interest rate earned since the adoption of our present dividend scale."

### Numerous Companies Hold to Present Dividends

Among the companies which have decided to make no change in dividend schedules for 1940 are: Aetna; American Citizens; California-Western States; Equitable of Canada; Federal, John Hancock Mutual; Lafayette; London Life; Lutheran Mutual; Manufacturers; Minnesota Mutual; National of Vermont (except dividends on paid-up life reduced); New England Mutual; Ohio National (tentative until Jan. 17); State Farm; Wisconsin Life.

Columbus Mutual is making an approximate 10 percent increase, although there have been decreases at some points. A decrease is being made by Baltimore Life.

Connecticut Mutual will use a new formula which brings about a decrease in short term endowments and an increase in ordinary life, 30 payment life, paid-up at 65 and paid-up at 70.

### N. W. Mutual Continues 1939 Scale

The Northwestern Mutual Life's 1940 dividend manual, available shortly, will have the same plan as the 1939 manual. The 1939 dividend scale, including the gross rate under option settlements, has been extended without change to participating policies in force on the 1940 anniversaries, except for a modification of the first dividend payable at the end of the first year under single premium forms. Policies issued on single premium plans in 1939 and

reaching their first anniversary in 1940 will not receive a first dividend in 1940 on the same basis as was allotted in 1939 to single premium policies issued in 1938.

### Offers Triple Indemnity

Republic National Life of Dallas is offering triple indemnity benefits on account of accidental death while traveling as a passenger on a public conveyance or while riding in or driving a private, pleasure type automobile. The extra premium for this feature is \$3. This includes the usual double indemnity benefit for other fatal injuries.

### Provident Mutual Continues Scale

The Provident Mutual Life will continue its present dividend scale in 1940. Interest on accumulations will be 3.5 percent and on options 3.65 percent.

## INDUSTRIAL

### Industrial Insurers Meeting

An informal meeting of the executive committee of the Industrial Insurers Conference will be held during the sessions of the mid-winter convention of the National Association of Insurance Commissioners at Edgewater Park, Miss., Dec. 6-9.

### Ringer Holds Southern Rallies

K. C. Ringer, superintendent of agencies of the Metropolitan Life for the southern territory, accompanied by B. L. Church, J. A. Blades, W. L. Hobson, agency supervisors, and R. J. Seay, field training supervisor, held an educational meeting and conference in Richmond for agents in that area. Similar conferences were scheduled for Atlanta, Tampa, Birmingham, New Orleans and Charlotte, N. C. In the course of the trip, Mr. Ringer will meet 1,800 field men.

### Home Beneficial 40 Years Old

The Home Beneficial of Richmond, Va., is celebrating its 40th anniversary. It operates in Tennessee, Maryland and the District of Columbia in addition to Virginia. M. D. Nunnally is president; W. C. Germelman, treasurer; W. E. Wiltshire, secretary.

### To Fete Samuel Peterfreund

More than 500 friends, associates and executives will attend a testimonial dinner to Samuel Peterfreund, manager of the Essex district of the Metropolitan Life in Newark, in recognition of his 28 years with the company. He started as an agent in New York City in 1911 and two years later was made assistant manager of the Manhattan office. Subsequently he was in Kansas City and St. Louis before going to Newark in 1920 as manager.

### Fox River Club Meeting

"The Effect of Social Security and Proposed Annuity Legislation on Insurance" was the subject for discussion at the November meeting of the Fox River Valley Insurance Club held in Oshkosh, Wis. There were approximately 25 members present from Appleton, Neenah, and Oshkosh. A very interesting discussion developed which brought forth helpful and enlightening data on the subject. M. L. Ridgeway, actuary of the Equitable Reserve of Neenah, has been elected president, Herbert Benz, Aid Association for Lutherans, Appleton, vice-president, and G. A. L'Estrange, Wisconsin National Life of Oshkosh, secretary.

## LIFE AGENCY CHANGES

### Horne Named at Indianapolis by Columbian National Life

The Columbian National Life has promoted Ewart G. Horne of the Quinby agency in Boston to general agent in Indianapolis. He will be associated with John E. Spiegel, who has represented the Columbian National in Indianapolis for six years.

The Quinby agency led all Columbian National agencies in paid life production the first ten months and Mr. Horne has been its leading personal producer.

To celebrate his promotion, Mr. Horne was honored at a party by his Boston associates. The home office representation included Vice-presidents A. A. McFall and Carl C. Mullen, Dr. H. W. Crawford and Lawrence L. Howard, sales promotion manager.

### Manufacturers Life Has New Manager at Saginaw, Mich.

Gomer J. Reeves has been appointed branch manager of the Manufacturers Life at Saginaw, Mich. He succeeds S. R. Gremel, who is appointed agency assistant at Saginaw. This branch, the territory of which covers central and northern Michigan, is one of the largest and most successful Manufacturers Life agencies in the United States or Canada. In 1936 and 1937 it won the "President's Trophy" for all-round agency development under the supervision of the late Mr. Burns, one of the most successful managers.

Mr. Reeves has an excellent record as a personal producer, consistently qualifying for the production clubs, with a large number of consecutive appearances on the personal honor roll. Before joining the Manufacturers Life in 1933 he operated a retail automobile sales agency for 12 years. He also was in charge of sales for the International Harvester Company in Port Huron, Mich., for two years.

Mr. Gremel started in life insurance with the Manufacturers Life at Saginaw



G. J. Reeves

in February, 1937. He is a graduate of Fort Wayne College and has been a successful personal producer, qualifying regularly as a club member.

### Galon Black With Occidental

G. B. Black, Lafayette, La., has been appointed general agent Occidental Life of California in the southwestern parishes of the state. He joins Occidental after eight years in the services of the Aetna Life, prior to which he was manager of a truck sales company in New Orleans. After four years of personal production there he was made district agent at Lafayette where he has personally average \$250,000 of new business annually in addition to his recruiting and training work. He enjoys an App-A-Week record of 282 consecutive weeks.

### Norfleet with Acacia Mutual

J. L. Norfleet has been appointed manager at Norfolk, Va., by Acacia Mutual Life. He had been with John Hancock Mutual more than 10 years in Norfolk and Richmond. In the latter city he was district agent. Prior to his association with John Hancock he was connected with Bankers Life of Iowa at Norfolk.

### Gullickson Billings Manager

O. S. Gullickson has been appointed general agent of the Northwestern National Life at Billings, Mont. Mr. Gullickson some years ago held a full time contract with the company under the former U. K. Swift agency in Seattle. He left Seattle in 1929 to become a general agent in Montana.

### Unsell with Protective Life

Protective Life of Birmingham has appointed S. C. Unsell general agent for northeast Texas with headquarters in the Republic Bank building, Dallas. For the past eight years Mr. Unsell has been in the Dallas office of Jefferson Standard Life.

### Sun Life's Victoria Change

W. E. G. McLagan has resigned as manager of the Sun Life of Canada in Victoria, B. C., after 30 years with the company. He will continue in an advisory capacity. Henry B. Howard will succeed him as manager.

A. M. Anderson, originator of a simplified sales program, and well known

as a speaker on life insurance sales programming, has joined the M. H. Casey agency of the Equitable Society in San Francisco.

The Mutual Life of New York has established a district office in Fayetteville, Ark., with G. F. McKinney as manager for northwest Arkansas.

The Great American Life of San Antonio has appointed Dan C. Wyatt field manager at Amarillo, Tex., and Floyd L. East general agent at Harlingen, Tex.

J. W. Taylor has been appointed district agent at Waxahachie, Tex., by the Rural Life of Dallas.

E. R. Gibson has been appointed district manager at San Angelo, Tex., for the Victory Life of Topeka. He has been in life insurance for 18 years.

## C. L. U.

### Wider Market for Programming

LOS ANGELES—The amended social security act broadens the market for programming life insurance in the lower income brackets, Martin L. Scott declared before the Los Angeles C.L.U. meeting. The agent now has an opportunity to sell program insurance to the man with an income ranging from \$100 to \$250 a month who previously had not been a prospect. For prospects with incomes over \$3,000 a year the effect of the social security provision will be less. Elden L. Smith, Connecticut General, explained the new provisions of the act.

### Discuss War Clauses

"War and Life Insurance" was discussed at a meeting of the Seattle C.L.U. chapter. George Buck, Provident Mutual, led the discussion. A. J. Quigley, Northern Life, spoke on "Experience of Companies and Agents during 1914-18."

A discussion of "War Clauses—Canadian and American" was led by Robert Jones, Fenton Rowell and William Laney.

### Tydings to Speak in N. Y.

Senator Millard Tydings of Maryland, whom the New Deal failed to purge after he fought President Roosevelt's court remodeling bill, will speak on "National Security Through Individual Initiative," at the luncheon meeting of the New York City Life Underwriters Association Dec. 18, at the Hotel Pennsylvania.



### New Building Item No. 1

Bankers Life promises to set an all-time record for "Firsts" with its new Home Office Building, now in final stages of construction. To-wit:

FIRST with a "Kibitzers' Gallery" for spectators at the building site, now widely publicized and copied.

FIRST to utilize Corning Glass Company's newest large units of molded glass for decorative panels in exterior design. Rockefeller Center has somewhat similar panels, in smaller units.

FIRST in America to adopt a combination of radiant heating and air conditioning.

and now

FIRST to install newest type of street electroliers which engineers say will someday be standard equipment on major streets of metropolitan centers everywhere.

### New Building Item No. 2

Toronto's London Life, occupant of one of this continent's most beautiful Home Office buildings, plans an addition to that structure, complimented Bankers Life recently by sending a delegation to Des Moines to inspect the Bankers Life building project. Heading the delegation was Managing Director E. E. Reed; his companions, Robert E. Reed, son; O. D. Newton, Secretary, and Architect D. A. Hennigar and P. A. Deacon.

### New Building Item No. 3

Engineering News-Record, "bible" of the building trades, devoted five full pages in its October 26th issue to the new Bankers Life Home Office building, classed it as one of the "ten notable buildings of the year."

### New Building Item No. 4

Innovation in Des Moines will be trees—European Lindens—growing up out of the sidewalk on three sides of the new Bankers Life Home Office. Thus, to the city's business district, Bankers Life will bring a touch of the wooded slopes, valleys and ridges which add so much to the beauty and charm of Des Moines' residential areas.

—BLU—

**BANKERS LIFE COMPANY**  
DES MOINES  
Established 1873

**The GREAT-WEST LIFE ASSURANCE COMPANY**  
HEAD OFFICE . . . WINNIPEG, CANADA

BUSINESS IN FORCE (\$ 607,532.970)  
(December 31, 1938)

A Symbol of SECURITY

## AGENCY MANAGEMENT

### Orr Talks on Putting New Men Into Production

Millard Orr, Philadelphia general agent Massachusetts Mutual Life, speaking at the dinner meeting of the Life Agency Supervisors Association of Northern New Jersey, Newark, on "Putting the New Man in Production," offers these suggestions:

#### Be Patient With New Man

"(1) Plan to sit down and make him give a reason as to why he came into the business; (2) build him up on the agency and the company; (3) bring out the prospecting idea; (4) establish his own resources and self-reliance and (5) have the office clerks make him feel at home, and not that he is just another agent."

He also pointed out that a general agent must be patient with a new man,

create a positive attitude and take a personal interest.

Edward Carlough of the Day agency of the Mutual Benefit Life in Newark gave a brief talk on "Supervision." The association will hold its Christmas party Dec. 19.

#### Gay Speaks in New Hampshire

MANCHESTER, N. H. — Clyde F. Gay, Boston general agent Aetna Life, discussed profitable cooperation between home office and field management from the point of view of the general agent before the New Hampshire General Agents & Managers Association at a dinner meeting here.

#### Plan Texas Managers' School

DALLAS — Arrangements for an agency management school to be conducted in Texas next April or May by the Sales Research Bureau are being

made by R. B. Shields, Dallas manager Great National Life. Mr. Shields, as chairman of the General Agents & Managers Section of the Texas Association of Life Underwriters, is contacting general agents and managers throughout Texas to determine the best dates and place for the school. Attendance will be limited to about 40. Lasting two weeks, it will be conducted at some centrally located place by five teachers from the Life Insurance Sales Research Bureau. The last school in Texas was held in 1934.

#### Detroit Stages Membership Drive

DETROIT — The Associated Life General Agents & Managers decided at the November meeting to launch a determined effort to bring every eligible general agent and manager into the association. Reversing the usual procedure in membership drives, President E. P. Balkema, Northwestern National, presented a list of eligibles and asked the members to vote on them before they are approached.

missioners, in his correspondence with other state officials, has expressed a hope that the SEC investigating committee will work through the life insurance committee of the organization rather than a special committee. Commissioner Neslen feels that the regular established committee has ample means of contacting different members without difficulty and, therefore, he dislikes to see any further committee injected into the picture. He has received a number of replies concerning the questionnaire that the SEC sent out to the commissioners and he will bring the material before the executive committee prior to the general convention at Edgewater Park.

## Report Banks Still Seek Policy Loans

(CONTINUED FROM PAGE 3)

these loans from banks are arranged through either collateral or absolute assignments. Many insurance men believe that the banks will hold a different opinion as to the desirability of these loans when they have had time to accumulate experience with claim settlements.

### Stotz Agency Has Shown Substantial Development

R. R. Stotz, general agent Mutual Benefit Life at Grand Rapids, Mich., has got out a booklet called "The Associates," it being a story of his agency. During the past 18 years he has collected and trained 22 men who are experts. There are 30 men on a full time basis attached to the agency who represent the company outside of Detroit. They are rendering a full life insurance service for more than 15,000 individuals who are insured for \$67,000,000 in the company. Therefore this agency is a sizable life insurance company in itself. The company pays out from this agency between \$500,000 and \$750,000 every year to beneficiaries.

#### Establish Training Plan

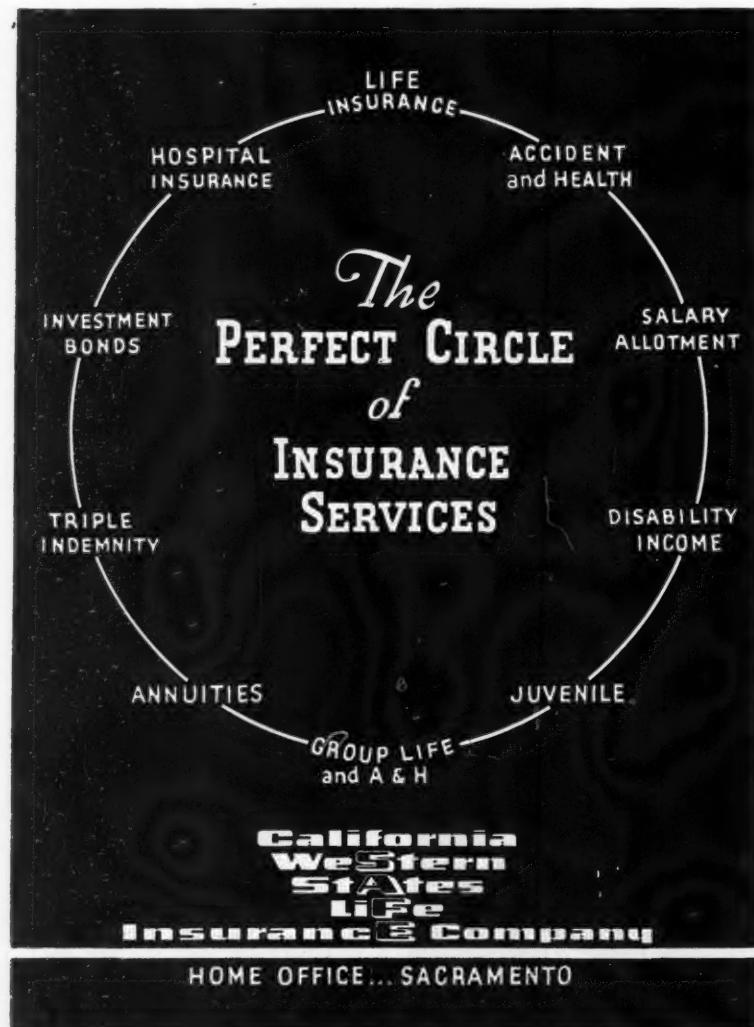
During the last 10 years Mr. Stotz has established a training plan which in a large measure, he declares, is responsible for the success of the agency. He has two training courses, one for beginners and another advanced course. It is his policy to bring into the organization each year three standard full time men who through completing the courses under the guidance of skilled instructors will develop into good life insurance salesmen. In addition to the full time salesmen, General Agent Stotz has a limited number of men in the smaller communities who devote part of their time to selling life insurance. Mr. Stotz is a graduate of Indiana State Teachers College and taught school for three years. When he returned from war service he started with the Mutual Benefit in 1920 at Rockford, Ill. He became supervisor in Detroit two years later. He was appointed general agent at Grand Rapids in 1931. He is a C.L.U.

#### Buffalo Public Relations Move

The joint public relations committee of the Buffalo Life Managers Association and the Buffalo Life Underwriters Association has arranged for a dinner meeting with 50 program chairmen of Buffalo civic organizations Dec. 6.

Walter Schworm is general chairman. James A. Whitmore, manager Guardian Life, will act as master of ceremonies. The meeting is the first step in the committee's program to foster public education on life insurance.

W. W. Head, president of General American Life and head of the Boy Scouts of America, will spend several days in Alabama, addressing Scout councils in Birmingham, Montgomery Anniston and Talladega.



## Forging Ahead with Security

Every Security Mutual Life agency is a hub in the wheels that are moving onward. New policies, new sales plans, new features of life insurance service—make for progress of both the Company and its agencies, and of every spoke in every wheel.

## Security Mutual Life Ins. Co.

Frederick D. Russell, Pres.

BINGHAMTON, N. Y.

### Neslen and Gesell Letters Make Interesting Reading

(CONTINUED FROM PAGE 2)

16. Your letter precisely states our impressions of the circumstances surrounding the formation of the special insurance committee of the National Association of Insurance Commissioners. I have not yet heard from you in response to my letter of Nov. 7, and am awaiting your reply with interest. I trust that the arrangement I suggested therein is satisfactory to you and your associates."

#### COMMISSIONER NESLEN'S VIEWS

SALT LAKE CITY — Commissioner Neslen of Utah, who is president of the National Association of Insurance Com-

## LEGAL RESERVE FRATERNALS

### Holds Societies Tax Exempt in N. M.

Fraternal societies are not subject in New Mexico to the 2 percent premium tax levied against old line life companies, and their licensing by the state irrevocably determines their character, and is binding on taxing authorities, the supreme court has just ruled in the suit of the state and Commissioner Biel to collect the tax from the Royal Neighbors, Woodmen Circle, Woodmen of the World, Royal Highlanders, Liberty National Life and Women's Catholic Order of Foresters.

The suit sought to collect the tax over the period 1910-1936. Demurrers were filed by the societies claiming their status was fixed and determined each year when they were licensed by the insurance superintendent and such licensing was res adjudicata in these lawsuits.

Until 1921 there was no statutory definition of fraternals in New Mexico, but they were exempted from the general insurance code. In that year they were defined by the law as any corporation or society without capital stock, carried on for the mutual benefit of members and beneficiaries, and having a lodge system with ritualistic form of work and a representative form of government. Such societies also were exempted by the code from all taxes other than those on real estate and office equipment.

### WOODMEN OF THE WORLD LIFE INSURANCE SOCIETY

Founded nearly half a century ago, its assets have mounted to over \$128,000,000.

Its investments are largely in Government, State and Municipal Bonds.

It has paid to beneficiaries over \$258,000,000, and to living members over \$47,000,000.

It values all of its outstanding business on the American Experience Table and 3%, and for each \$100 of reserve and current liability it has assets on hand of the value of \$114.92.

Through prosperity and depression, war and epidemic, its financial strength has paralleled its record of insurance and fraternal service.

It maintains at San Antonio, Texas, an endowed free hospital for members who suffer with tuberculosis. This institution is on the accredited list of the American College of Surgeons.

De E. Bradshaw, Pres. Omaha, Nebr.

#### THE WOMAN'S BENEFIT ASSOCIATION

Founded 1892

A Legal Reserve Fraternal Benefit Society  
Bess West Miller President  
Frances D. Partridge Supreme Secretary  
Port Huron, Michigan

ment. The demurrers were sustained by the lower court and the state appealed.

The supreme court approved and followed decisions of appellate courts in other states and also federal court decisions determining that fraternals are not subject to the premium tax applicable to old line life companies.

Further, the court ruled the legislature distinguished the two types of insurance organizations and fraternals have substantially complied with the statutes applicable to their class and therefore are exempt from the premium tax. Any ultra vires act committed by the societies exceeding their charter power does not change the nature and character of the fraternals, the court held.

An important point in the ruling was that comity requires the state to recognize foreign fraternals to be such, and if they are admitted and licensed as fraternals, the state thereafter cannot convert them into insurance companies by the simple expedient of determining that such societies have written non-allowable classes of policies and are otherwise doing business as insurance companies and thus subject to tax and penalty applicable to old line life companies. The lower court judgment in favor of the societies was affirmed.

The ruling was digested by Richard F. Allen, Topeka, general counsel Standard Life and secretary-treasurer law section of National Fraternal Congress.

#### Hunter Elected President of the S. D. Congress

Charles L. Hunter of A. O. U. W. was elected president of the South Dakota Fraternal Congress at the annual meeting in Aberdeen. He succeeds Mrs. Alice Goodmen, Yankton, Degree of Honor Protective. Other new officers are: First vice-president, Clifford A. Landaker, Aberdeen, Maccabees; second vice-president, Paul E. Hainey, Huron, Independent Order of Foresters; third vice-president, Mrs. Alta Miller, Hot Springs, Degree of Honor; secretary-treasurer, Mrs. Dorothy Dammeier, Huron, Degree of Honor.

A luncheon was held and the business session was well attended. In the evening there was an open meeting, many attending from Aberdeen and the surrounding territory. The program was drafted to give a conception of the fraternal system and what the societies are accomplishing. Rapid City, S. D., was selected as the place for the 1940 meeting.

#### Banquet in Evening

A banquet was held, followed by the evening meeting. A flag presentation and juvenile demonstration by Aberdeen Degree of Honor group, drills by Royal Neighbors, Maccabees and A. O. U. W. of Aberdeen, and the Huron Degree of Honor team were features. Bradley C. Marks, president of the A. O. U. W., Fargo, and past president National Fraternal Congress, talked on aims and purposes of the national organization. I. W. Smith, A. O. U. W. actuary, explained with blackboard illustrations, how rates are computed according to the American Experience table of mortality, how dividends are determined, and demonstrated that the foundation upon which the legal reserve societies have based their rates is sound and enduring.

Officers were installed with Mr. Marks officiating. Mrs. Alta Miller was installing usher, assisted by the Huron Degree of Honor drill team.

#### Jenkins in Recorder's Post

O. G. Jenkins is the grand recorder pro tem of the A. O. U. W. of Kansas, Newton, Kan., who has been appointed by the board to succeed C. R. Jackson, resigned. Mr. Jenkins formerly was of-

fice auditor and manager of the FHA loan department of the A. O. U. W.

#### Heckenkamp Talks at Initiation

ST. LOUIS—About 125 new members were received in a city wide initiation of Western Catholic Union. More than 650 members attended. W. H. Heckenkamp, Quincy, Ill., president, gave an address.

#### Zimmerman's December Schedule

With southern and Atlantic seaboard tours on his schedule, President Charles J. Zimmerman of the National Association of Life Underwriters will address 12 meetings in December.

The complete December schedule is:

Dec. 1, Waukegan, Ill.; 5, Memphis; 6, Arkansas state at Little Rock; 7, Mississippi state at Jackson; 8, National Association of Insurance Commissioners at Edgewater Park, Miss.; 11, Hartford; 13, board of trustees in New York; 14, Association of Life Insurance Presidents in

New York; 16, national committee on general agents and managers in New York; 19, Delaware state at Wilmington; 20, Richmond; 21, Virginia state at Roanoke; 22, North Carolina state at Winston-Salem; Greensboro.

#### Wins "Pride of Prudential" Title

Daniel Rosen, Prudential, Buffalo, has produced two or more applications of \$3,000 or more of volume every week for 260 consecutive weeks, thereby winning the "Pride of the Prudential" designation. He makes on an average of from 20 to 25 contacts every day.

#### Burruss School in Des Moines

DES MOINES—More than 100, including many general agents and managers, attended a school conducted by W. B. Burruss, former general agent Provident Mutual, sponsored by the General Agents & Managers Club of Des Moines and Des Moines Association of Life Underwriters.

## MORE THAN A MILLION DOLLARS A MONTH

DURING the first six months of 1939 MODERN WOODMEN OF AMERICA distributed \$6,848,493.07 in cash to the beneficiaries of deceased members and to living members. This impressive sum, averaging more than \$1,000,000.00 per month, was paid promptly as each claim matured, thus maintaining the Society's 56-year record of genuine human service.

**\$605,825,109.48 paid in benefits since organization**

## A THREE-MILLION-DOLLAR GAIN IN ASSETS

The continued gains shown on its financial front are demonstrated by an increase of \$3,256,054 in assets for the same six months' period. Strict adherence to a wise and conservative investment policy is an added assurance of financial stability.

**Assets total \$81,910,944.16—a 100 per cent increase in the past six years**

**MODERN WOODMEN OF AMERICA**  
Head Office Rock Island, Illinois

## PROGRESSIVE



Throughout the thirty-six years of its existence, the Aid Association for Lutherans has earned a reputation for able, progressive management, and sympathetic understanding of the needs and problems of its certificateholders. The Association has ever been alert to the modern trend of the times, always adjusting itself to meet new needs of protection.

**INSURANCE IN FORCE.....\$197,255,732.00  
ASSETS .....\$ 31,616,370.90**

Paid to members and beneficiaries since organization in death and sick benefits, old-age income, surplus, etc., \$21,374,043.73.

All standard forms of legal reserve life insurance for men, women, and children of Synodical Conference Lutheran churches.

## AID ASSOCIATION for LUTHERANS

Appleton, Wisconsin

Alex. O. Benz, Pres.  
Otto C. Rentner, Vice-Pres.

Albert Voecks, Secy.  
Wm. H. Zuehlke, Tress.

# NATIONAL RESERVE LIFE INSURANCE CO.

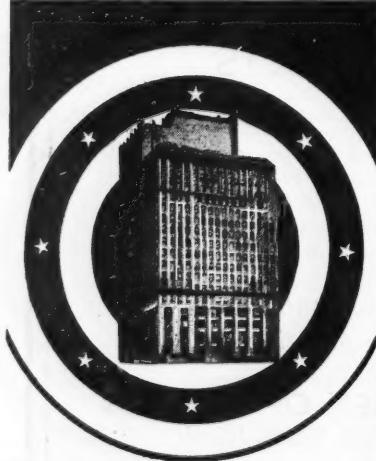
Topeka, Kansas

Capital Stock . . . \$550,000  
Surplus . . . 559,000  
Contingency Reserve . . 200,000

*Operating under the Kansas  
Compulsory Deposit Law.*

GENERAL AGENCIES OPEN  
FOR GOOD PRODUCERS.

Write:  
**T. A. LONAM, Vice President**  
Agency Director



General Agency  
OPPORTUNITIES  
for good personal  
producers

**Central Life**  
INSURANCE COMPANY  
of Illinois

ALFRED MacARTHUR, PRESIDENT  
211 WEST WACKER DRIVE, CHICAGO

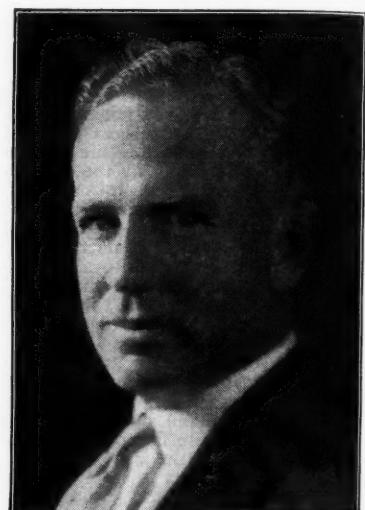
## SLATED TO ADDRESS LIFE PRESIDENTS RALLY



DR. W. E. THORNTON  
Medical Director Lincoln National



HENRY H. JACKSON  
Actuary National Life



RAY D. MURPHY  
Actuary Equitable Society

### Much Competition on Hospitalization

The general consensus among executives writing health and accident business is that with the present trend toward hospitalization plan this form of indemnity will now run the same gamut that accident and health insurance did some years ago. In the halcyon days when competition was severe each company outdid the other in form of tassels and adornments on policies. There was no uniformity or standardization. Each company got out its own contracts and put in so-called talking points. The result was that conditions became chaotic. Companies were losing money and had no special goal in sight. Then followed the day when policy provisions were standardized. Contracts got down to a sane and judicious basis.

#### Agents Demand These Forms

Just now each company feels that hospitalization is in the air. Hospitalization policies must be put in the field in order to meet the demands of agents. A company sees a competitor going ahead and writing considerable hospital business. This company may feel that in order to attract policyholders it must get out something different. Therefore there are all kinds of premiums and all kinds of provisions. There is very little scientific work being done on these contracts. Some companies undoubtedly are plunging and grief will follow. Those that have had some experience in this line are discovering that a number of "amendments must be made to the minutes of the meeting."

Hospitalization insurance will follow probably the same general course as non-cancellable insurance did when it started. Companies writing non-cancellable policies at the start opened the flood gates wide. It was a very expensive process. There will probably be

considerable money lost before hospitalization policies are standardized and stabilized.

#### John Holmes' Duel Proposal Is Gaining Momentum

Commissioner John J. Holmes of Montana, who has suggested a duel between Emile Bienvenu of New Orleans, chief examiner Louisiana department, and Commissioner Gontrum of Maryland on account of some remarks that the latter made at the Maryland Association of Insurance Agents annual meeting reflecting on the examination policy in Louisiana, has received a letter from Commissioner Julian of Alabama, which says:

"While I am in agreement with your suggestion, there is one amendment that I must offer, and that is after the two aggrieved parties have settled their differences and you take on both at one time, I insist that I be permitted to act as second to the Irish—God bless them."

He got a rise out of Commissioner Gontrum, stating that if he accepts the challenge to fight a duel he wants the "Irish machine gun" eliminated. He said that he is somewhat suspicious of that combination and suggests that instead of this formidable weapon very ripe grapefruit be substituted and the distance be 60 paces.

#### Salesmen Biggest Factor

"The success of the insurance business in this country can be attributed as much to the effectiveness of its selling methods as to any one thing. That means chiefly that the salesman has played a larger part than in any business of comparable size. Good automobiles will practically sell themselves; good life insurance is almost never bought. A life insurance program is purchased, a family is protected, old age is guarded against because of the knowledge, persistence and industry of some

#### Starts Men Off in Morning with Pertinent Sales Idea

Every morning members of the Ned Becker unit of the Lustgarten agency of the Equitable Society, Chicago, find a sheet on their desks containing a short paragraph of some life insurance selling point or approach. Each of these sheets is individually typewritten and signed by Mr. Becker. He gets the material for these daily messages in reading THE NATIONAL UNDERWRITER and other publications.

In passing on the sales thoughts Mr. Becker gives his men a variety of ideas so that they are certain to find a few that will fit into their individual sales style. Some times the quotation is only a single sentence, brevity and simplicity being Mr. Becker's aim. He believes that if his men acquire the ability to paint word pictures in simple language and without the extensive use of figures and statistics that the prospect will understand them more readily.

Mr. Becker is an ardent advocate of "selling yourself." He feels it is a great help to salesmen to make friends and always be kind and considerate. "If you show interest in the prospect and his ideas, then he in turn will be willing to show interest in your proposition," says Mr. Becker.

Mr. Becker has the complete record of the birthdays of his men and he always sends them a handsome birthday card on each anniversary.

agent. There is a consistent improvement in the training and character of the agents of good companies. This improvement will be continued in due proportion as the public appreciates and requires of its insurance adviser the high quality of knowledge and capacity which the companies are trying to build in their field organizations."—F. B. Wilde, president Connecticut General Life.

## AGENTS WANTED!

Definite Territory, under  
Home Office Registered Contracts!

**GEORGE WASHINGTON LIFE INSURANCE COMPANY**  
of Charleston, W. Va.

LEE WARREN JAMES, PRESIDENT



# Sales Ideas and Suggestions

## One-Interview Program or Two? Choice Is Important

**NEW YORK**—In making the programming approach, the agent should be on the alert to see whether the case is simple enough to present on a one-interview basis or whether it justifies a two interview sale, said C. E. Brewer, Jr., DeLong agency Mutual Benefit Life, in the New York City Life Underwriters Association's educational course.

Though talking on one-interview programming, Mr. Brewer emphasized that the two-interview program is always better where the size and complexity of the case justifies it. He said, however, that there are numerous cases which are simple enough to be cleaned up on a single interview and for these the saving in time more than offsets any slight advantage there might be in going back for a second call with the program all worked out.

### Two Calls More Impressive.

Mr. Brewer warned that while it may take more astuteness and look more spectacular to work out the whole program before the prospect's eyes, he is actually more impressed by the agent's getting all the data in the first interview and then taking it back to his office, pondering over it and later bringing in the correct solution.

For the simple type of program susceptible of the one interview method, Mr. Brewer advised working in reverse, that is beginning at the end of the beneficiary's life and working down to the present date. For example, suppose it is desired to provide the beneficiary with \$100 a month from age 55 on. This will require approximately \$20,000 of insurance not counting accumulated interest. Assuming she is 37 years old now, the interest on the \$20,000 will provide approximately \$55 a month, leaving \$45 a month to be taken care of by additional insurance. To provide this income for the 18 years about \$7,500 will be necessary, paid out at the rate of \$6 per month per \$1,000. Thus, it is seen that the prospect needs to be insured for a total of \$27,500 in addition to a provision for clean-up.

Mr. Brewer emphasized that the approach is exactly the same whether it is going to be a one-interview program sale or one involving two interviews. He pointed out the danger of constantly thinking in terms of either single interview programming or two interview programming, since the agent must be

ready to use whichever one best suits the case at hand.

### Average Family Is Aided

**PORLTAND, ORE.**—For the first time since America's founding, adequate protection through a combination of life insurance and social security benefits is in sight for the average family, George W. Schoeffel, Portland manager Oregon Mutual Life, stated in an analysis of the new social security act. Previously only 19 out of every 100 American families have been assured of a living income for even as much as five years in the event of the death of the breadwinner during the early years of the family, he said.

### Burt Monroe's Message Printed

Commonwealth Life of Louisville has published in an attractive pamphlet form the address that was given by Assistant Secretary Burt L. Monroe at the industrial managers convention in Louisville earlier this year and at the ordinary agents convention at Virginia Beach in August. It is a compelling message on the subject of conservation.

"Take care of the changes in beneficiary as they become necessary; see the assignments against the policy are lifted as loans are repaid; see that notes are paid promptly and renewal premiums are taken care of as they fall due; and above all, don't let your policyholder move away without your knowing when, where and why," Mr. Monroe advises.

The agent should treat each policyholder as if he were the only client that the agent had. The lapsation of a single policy should be taken very much to heart by the agent. Every policy that is conserved is a boon to someone.

There is included in the pamphlet some inquiries from beneficiaries regarding the status of policies where the assured had died. These policies had lapsed and the company replies told a tragic story.

Don't beat around the bush when you go to see a prospect. Get into the heart of the interview without long preludes as to weather, the condition of business or any of the million other subjects too many salesmen try to break the ice with—at boresome length. He knows what you are there for and stalling won't help you win your cause. Any attempt to ingratiate yourself by discussing unrelated subjects or to throw him off his guard will usually backfire.

## LIBERAL AGENCY CONTRACTS

The Victory Mutual Life Insurance Company Can Offer Liberal Agency Contracts to Life Agents of Proven Ability, in Illinois, New York, Ohio, Indiana and Washington, D. C. Write or Call for Agency Information. Victory Mutual Life Insurance Company, 2303 - 7th Avenue, New York City.



## Paid-up Values Are Convincing in 'Can't Lose' Example

One of the chief sales difficulties the life insurance man faces today is the lack of confidence in the future. War and economic situations are such that men hesitate to commit themselves for a long period of years. The prospect may be in position to pay the premium today but hesitates to sign a contract by which he will have to pay premiums every year in the future.

In answer to that situation, one alert supervisor figured up a demonstration to show that the prospect at age 35 who buys a \$10,000 special retirement endowment at age 60 is making a "can't lose" investment. Whether he lives or dies or quits, his investment will immediately or eventually show a substantial profit. If he needs cash he can get it. If he gets disabled, by adding a waiver of premium disability clause, future deposits are made by the company. There is no other investment that can be bought on the yearly commitment basis with such guaranteed equities.

Assume that the prospect keeps his \$10,000 insurance five years and then for reasons beyond his control he must cease the premium payments. Based on the 1939 scale of a leading mutual company, his equity position is as follows:

### Can Get 88½% Back

1. The annual premium is \$567.40, so in five years he has paid \$2,837. He can get back \$2,512 cash or 88½ percent of what he has paid in and in the interim his family was protected for \$10,000 plus additions.

2. Or, he can have a fully paid endowment maturing at age 60 for \$4,210, which is 147 percent of the total premium deposit, but in the event of his death in the first five years his family would have received \$10,000 plus additions and if his death occurred after five years, \$4,210 would be paid. Both figures exceed the premiums paid. This does not include dividends of approximately \$1,000 based on the present scale, which he would receive from 41 to 60.

3. Or, he can have a policy that for the next 20 years will pay his wife \$10,760 (\$10,000 plus \$760 additions) in the event of his death, and at 60, if living, he will get back \$1,250 in cash.

In handling queries on "What will I get out of it if I go broke and can't continue to pay premiums?" the cash value answer is not as favorable as the paid up examples.

By taking the time to show the pros-

## Five Million New Prospects for Programming Approach

Life insurance programming is bound to show a substantial increase after Jan. 1 when the new social security benefits go into effect. There will be 5,028,544 (according to 1937 figures) who will be earning from \$1,500 to \$3,000 under the act.

This compares to 879,560, earning \$3,000 a year or more. Heretofore programming has not been especially practical among those earning less than \$3,000 a year because of the limited amount of life insurance these individuals can afford to buy. With the social security provisions as a basis, programming is now practical with 5,000,000 more new prospects.

pect or insured the paid up insurance advantages, the agent makes a stronger case on the value of life insurance as an investment. This is particularly true in case of endowment forms as the cash values are relatively higher.

Another agent stresses the fact that the insured in reality is buying an amount of paid-up insurance with every premium so that if he is forced to quit making payments he has the insurance which he already has paid for in form of paid-up coverage. As to answering objections raised about the uncertainty of the future, this agent points out that life insurance provides for man's greatest uncertainty—his ability to provide for his family.

### Key to Successful Selling

1. Know your prospect.
  - a. Can he pass?
  - b. Can he pay?
  - c. What hobby has he?
2. Prepare your case.
  - a. Go over your notes.
  - b. Know what you intend to do when you face your prospect.
3. Make your interview simple.
  - a. Understandable.
  - b. To the point.
  - c. Secure from your prospect his ideas of what he needs.
4. Fit your proposition.
  - a. Convert his insurance wants to a need.
  - b. Close the case.

—Philip Englehart, Portland, Ore., general agent Massachusetts Mutual.

Distribute Millionaire Davies' booklet, "Why I Bought Life Insurance," to prospects. 8 for \$1. Order from National Underwriter.

## THE HOME LIFE INSURANCE COMPANY OF AMERICA

### PROTECTS THE ENTIRE FAMILY

Home Life agents are equipped to serve every need for life insurance. Modern policies are issued, on both Industrial and Ordinary plans, from birth to 84 next birthday.

### A POLICY FOR EVERY PURSE AND PURPOSE

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**COATES & HERFURTH**  
**CONSULTING ACTUARIES**  
 582 Market Street      437 S. Hill Street  
 SAN FRANCISCO      LOS ANGELES

### DISTRICT OF COLUMBIA

Specialty, Income Taxes of Insurance Companies  
**WILLIAM W. CHAMBREAU**  
 Consulting Actuary and Tax Consultant  
 Organization, Management, Tax Service  
 Investment Bldg., Washington, D. C.

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 211 W. Wacker Drive, Chicago

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 100 N. La Salle St.      Chicago, Illinois  
 Telephone State 1338

**HARRY S. TRESSEL**  
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**HARRY C. MARVIN**  
 Consulting Actuary  
 221 E. Ohio St.  
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### NEW YORK

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**FACKLER & COMPANY**  
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 Associates  
 Fred E. Swartz, C.P.A.  
 E. P. Higgins  
 THE BOURSE      PHILADELPHIA

## Life Presidents Annual Program

(CONTINUED FROM PAGE 1)

He will discuss current mortality trends among policyholders, using the aggregate experience of a group of companies, and will show the bearing of these indices on national health. His topic will be "The Mobilization for Health."

A broad review of the functions of life insurance and how it fits into the pattern of American life will be given by H. H. Jackson, actuary of the National Life of Vermont. His subject will be "Life Insurance—a Great Invention." He has twice attended meetings of the International Congress of Actuaries abroad and is a fellow and a former member of the council of the Actuarial Society of America. This year, he was elected a vice-president of the American Institute of Actuaries.

The subject of governmental annuities will be taken up at the convention in an address by Ray D. Murphy, president of the Actuarial Society of America, and vice-president and actuary of Equitable Society. His topic will be "Sale of Annuities by Governments." In discussing this subject, he will have at his command experience gained both through notable service in the actuarial sphere and in the administrative side of the life insurance business.

#### Address by Arthur B. Wood

This year the association will have a second distinguished Canadian on its program. He is Arthur B. Wood, president and managing director of Sun Life of Canada. One of the leading citizens of the Dominion, Mr. Wood has served in a host of important positions both within and without the life insurance sphere. He is a director of the Montreal General Hospital, Royal Bank of Canada and the Crown Trust Company, and is Canadian director of the Phoenix Assurance of London. In 1936, he was appointed a member of the Royal Institution for the Advancement of Learning and a governor of McGill University. He will discuss "Life Insurance in Wartime."

C. C. Neslen, president of the National Association of Insurance Commissioners and commissioner of insurance of Utah, will be the spokesman for the field of insurance supervision. Before he became head of the insurance department in 1937, he had been a member of both the Utah house of representatives and the Utah senate, and had been auditor of the state tax commission. Prior to that he served for eight years as mayor of Salt Lake City. The title of his address will be "State Insurance Supervision."

Plans are being made for a large attendance. It is estimated that executives of companies having more than 90 percent of the life insurance in force in the United States and Canada will be present to hear the various speakers and receive first-hand reports on their business. Officers of state and provincial insurance departments also will attend.

#### Heber Grant Renowned

Mr. Grant is not only renowned in church and civic activities but he is president of the Beneficial Life of Salt Lake and the Utah Home Fire. He is president of the Utah State National Bank, Zion Savings Bank & Trust Co., Zion Cooperative Mercantile Institution, Utah-Idaho Sugar Company. He was elected to the presidency of the Church of Jesus Christ of Latter Day Saints, Nov. 23, 1918. He has served as president of Heber J. Grant & Co., Salt Lake City insurance agency, since 1876.

Governor Bricker served two terms as attorney general of Ohio and before that acted as special counsel for the attorney general. At one time he was attorney for the Public Utilities Commission of Ohio.

President Dodds is the third youngest president in Princeton University history, being elected in 1933. In addition to serving on Princeton's political sci-

ence faculty, he was previously connected with five other institutions. He was instructor of economics at Purdue, later became assistant professor of political science at Western Reserve University and subsequently lectured at New York University, Swarthmore College and the University of Pennsylvania. He first became connected with Princeton in 1925 as a lecturer on politics.

#### Father Walsh on Public Relations

Father Walsh is an expert in the sphere of foreign relations. He was named by the Vatican in 1922, as director general of the Papal Relief Mission to Soviet Russia. He directed the distribution of \$2,000,000 raised for that purpose by American Catholics. He has served as president of the Catholic Near East Welfare Association. He organized Georgetown University School of Foreign Service, of which he was regent in 1919. He has served the college as dean of arts and sciences and earlier, for five years, was teacher of literature there.

Principal Wallace has devoted his time and energy almost entirely to education. For five years he occupied the chair of English at Beloit College in Wisconsin. He has been connected with University College at the University of Toronto, since 1904. Serving on its faculty for 35 years, he was successively a lecturer in English, associate professor and professor, becoming head of the department of English in 1926. In 1906 he was registrar of the college. He has been its principal since 1928.

#### Reception Committee

Greetings will be extended from the American Life Convention, Canadian Life Insurance Officers Association, National Fraternal Congress, Institute of Life Insurance and National Association of Life Underwriters. The reception committee consists of the following: J. A. Fulton, president Home Life of New York, chairman; Leighton McCarthy, chairman of the board Canada Life, vice-chairman; A. L. Aiken, presi-

dent New York Life; O. J. Arnold, president Northwestern National Life; M. B. Brainard, president Aetna Life; E. S. Brigham, president National Life of Vermont; Chandler Bullock, president State Mutual Life; Guy W. Cox, president John Hancock Mutual; Franklin D'Olier, president Prudential; Isaac Miller Hamilton, chairman of the board Federal Life of Chicago; E. J. Heppenheimer, president Colonial Life; Carl Heye, president Guardian Life; R. E. Irish, president Union Mutual Life; L. A. Lincoln, president Metropolitan Life; C. B. Little, president Provident Life of Bismarck, N. D.; J. L. Loomis, president Connecticut Mutual Life; C. S. Macdonald, president Confederation Life of Toronto; T. I. Parkinson, president Equitable Society; B. J. Perry, president Massachusetts Mutual; Julian Price, president Jefferson Standard Life; A. A. Rydgren, president Continental American Life; F. P. Sears, president Columbian National Life; J. A. Stevenson, president Penn Mutual Life; B. H. Walker, president Life of Virginia; C. F. Williams, president Western & Southern Life; H. S. Wilson, president Bankers Life of Lincoln, Neb.; L. E. Zacher, president Travelers.

#### Compromise Ark. Annuity Tax

Chancellor Dodge of Little Rock has given approval to compromise judgments of \$12,034 against 14 life companies as the 2½ percent premium tax applicable to considerations paid for annuities. In July, the Arkansas supreme court held in a test case involving New York Life that the tax is applicable to annuity considerations but that the tax should not be collected retroactively. Prior to the starting of the suit no demand had been made for payment of the premium tax on annuities. The largest judgment in the compromise agreement was \$3,275 against Equitable Society. New York Life paid \$2,449 which included court costs. The suit was started by A. D. Dulaney, former insurance commissioner, and Lee Cazort, former lieutenant governor.

Send \$1 to National Underwriter for Social Security Slide Rule.

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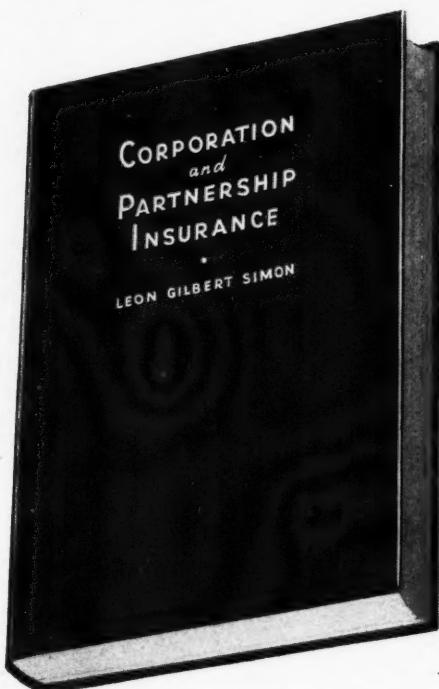
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#### Gives All the "Essentials"

"Corporation and Partnership Insurance" not only gives all the essentials needed for a full understanding of the "fundamentals" from every angle but also is just loaded with effective selling material—covering how to approach, what to say and what to stress, how to work up the necessary agreements between the parties concerned and many other points of sales strategy. It answers all the raft of questions that have been put to the author in his numerous "open forum" discussions. Long tested and perfected methods of presentation are given in detail. Actual interviews covering all types of situations are presented in the very words that sold the cases.

#### Specimen "Agreements" Shown

Trusteeship and the Legal Agreements necessary in so many cases are discussed in full, followed by actual agreement forms now in extensive use by the author. Other legal aspects and a digest of important tax laws effecting business insurance are brought up to the minute. In fact, every phase of business insurance is thoroughly covered from every angle. There is even a complete index to all points and types of situations which will enable the user to quickly locate the best procedure to follow in all the many special problems arising in individual cases.

#### Indispensable to the wide-awake underwriter seeking greater opportunities

Having sold hundreds of small as well as a great many large business insurance cases, Mr. Simon's broad experience enables him to give in this new book—the complete information you need to equip yourself to sell this specialized form of protection in all its many phases. Of course it requires careful study—but fully understood, it is the key to many profitable sales, to greatly increased prestige and to many more prospects for *personal insurance* with which you will have an influential contact. Life insurance must constantly meet the ever-developing needs and desires of prospects. Underwriters too, must be equipped to handle these more specialized applications—or fall way behind the parade. Here is a book by a salesman—for a salesman, on a most important special life insurance field. Order yours now. Helpful to experts as well as beginners!

## CORPORATION & PARTNERSHIP INSURANCE

by

LEON GILBERT SIMON, Author of

"Business Insurance", "Business Security", et al

Uppermost in the minds of many leading underwriters today is the technique of applying life insurance to every day business needs and the procedure to be followed in order to best protect through life insurance, the interests of all concerned—the insureds, the beneficiaries and the business itself. Business and professional men, particularly in times like these have a most definite need for protecting their important life values, and interests in the business. Here is a timely new book covering business insurance from every angle, the stockholder, the partner and the sole proprietor, and written by an expert who has long specialized in this constantly growing field.

#### For the Salesman—not too technical!

Underwriters everywhere will be greatly benefited by "Corporation and Partnership Insurance", Leon Gilbert Simon's latest contribution to life insurance literature. Mr. Simon not only knows "how to sell it" but also has a marvelous ability in "telling you how to do it". He has been one of the largest writers in the United States for many years and has given more than 100 successful talks on the subject all over the country. Mr. Simon is well known nationally, having written the book "Business Insurance"—a best seller of nearly ten years ago and several other widely used texts. "Corporation and Partnership Insurance" brings this older volume *up to the minute* with all the latest advances made in this special line. While thorough and exact in statement; its language, however, is simple and understandable to the prospect as well as the underwriter.

#### A most profitable field— learn how to serve it, right

The steadily growing realization on the part of business men everywhere of the problems which life insurance, properly applied, can best solve for them, offers increasingly greater opportunities to those underwriters who will take the trouble to thoroughly study this field and learn how to serve it. Probably this is the most important of all special functions of life insurance, yet there is deplorable lack of knowledge on the part of underwriters as to how to best apply life insurance to the special needs of many different business situations.

Practically all business insurance cases require specialized knowledge. In fact, there are many essentials with which the underwriter absolutely must be familiar, in order to even present the subject intelligently. A still greater background of understanding is necessary to present it effectively and convincingly. Small businesses, for instance, present entirely different problems from large ones, yet often have relatively *much greater needs*. Thus, there are plenty of business insurance opportunities for almost any underwriter, including those in the smaller cities and towns.

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420 East Fourth Street, Cincinnati, Ohio

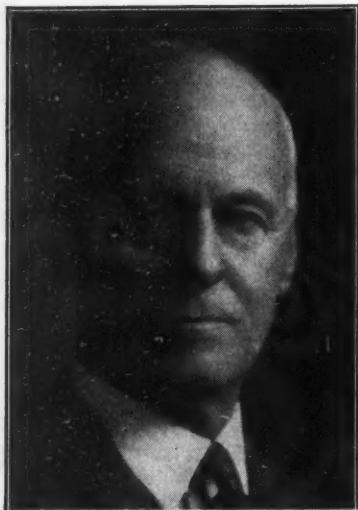
# LIFE VIEWS IN THE NEWS



Cyrus T. Steven, advertising manager of Phoenix Mutual Life, is shown receiving from D. Gordon Hunter, vice-president and agency manager, a bound volume containing congratulatory messages from friends, in recognition of the fact that Mr. Steven had just completed 25 years in the service of his company. Mr. Steven went with Phoenix Mutual Life in 1914 after graduating from Trinity College. He has served as advertising manager and as an officer of the company since 1935.



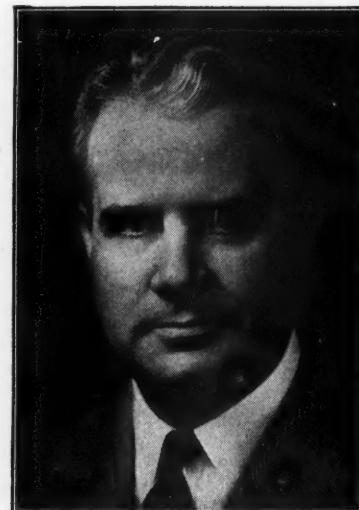
Mrs. Ethel Newman, assistant secretary United States Life, has been visiting the head office conferring on the opening of an office in the Philippines.



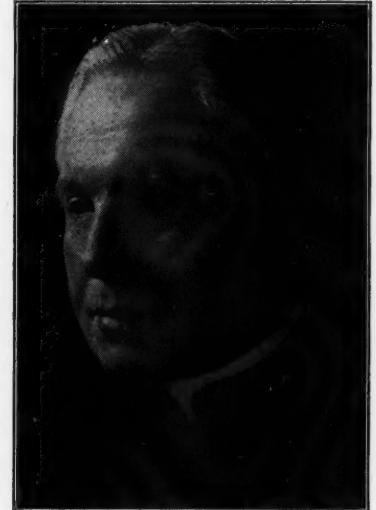
DR. MALCOLM W. WALLACE



DR. HAROLD W. DODDS



JOHN W. BRICKER



REV. EDMUND A. WALSH

Three prominent educators and a governor are scheduled to speak before the Life Presidents Association's annual gathering in New York City Dec. 14-15. Dr. Wallace is principal of University College, University of Toronto; Dr. Dodds is presi-

dent of Princeton University; and Father Walsh is vice-president Georgetown University and regent of the School of Foreign Service. Mr. Bricker is governor of Ohio.



These four agents of the Edwards A. Woods Co., Pittsburgh, general agent Equitable Society, have pledged to write a million dollars or over in the agency's 60th anniversary drive which ends November, 1940. They are (left to right) M. B. Cohill, M. J. Donnelly, Mark B. Higgins and John M. Pfeil.